



JINDAL SAW LTD.

TOTAL PIPE SOLUTIONS



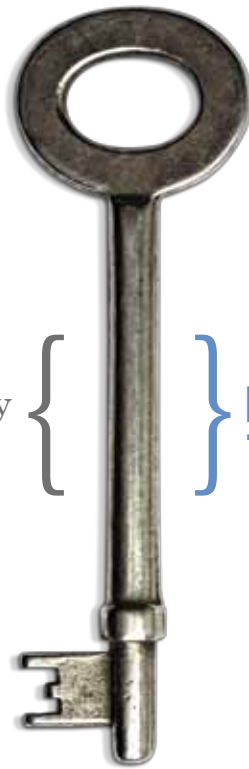
For the world: the usual

FOR US: THE PROMISE OF TOMORROW

**ANNUAL
REPORT**
2012-13



For the world: a key



**FOR US: A GATEWAY
TO THE ROAD AHEAD**

Inspiration is all around. It knows no boundaries.

Self belief inspired Jindal SAW to start operations from a single product at a single location in 1984. Today, the company offers 'Total Pipe Solutions' to the world. As part of the \$16.5 billion O.P. Jindal Group, the company confidently continues its march towards new areas of growth and markets.

Also, its subsidiary Jindal ITF is surging towards new milestones in its enterprises with respect to water management, waterborne transportation, waste-to-energy and rail infrastructure.

Likewise, the company's wholehearted support to Svayam, an initiative of S.J. Charitable Trust is taking giant strides in making public infrastructure accessible to all.



VISION IS IMMORTAL

In an age when an obsession to outgrow others is paramount, our founder chairman Shri O.P. Jindal saw the vital need for focussing on being the best. A rare visionary, he made quality the DNA for the group's growth.

Today, in the unseen presence of its doyen, the group continues its leadership journey, guided at every step by his immortal vision.

Shri O.P. Jindal
(1930-2005)

For the world: a gemstone



FOR US: PERFECTION AT ITS BEST

Jindal SAW has always been at the helm of product innovations and its products continue to meet stringent quality norms at all times.

Commitment to superior quality and perfection ensures that the company is consistently at par with international standards.

For the world: a sphere



With many manufacturing facilities across the globe and an extensive range of products, Jindal SAW has traversed different continents and made an indelible mark in world markets.

Furthermore, with the added advantage of plants at strategic locations, including ports, the company meets critical deadlines for international orders.

FOR US: A JOURNEY BEYOND BORDERS

For the world:
a set of golf clubs



**FOR US: A RANGE
BEYOND COMPARE**

As the market leader in the manufacturing of Submerged Arc Welded pipes, Jindal SAW is making a positive difference in the field of transportation of oil and gas.

Moreover, with its Ductile Iron pipes the efficient transportation of water and waste water has become a reality. The company also provides value added products like pipe coatings, bends and connector castings. Seamless pipes and tubes are at par with the best in the world and this division services several industries like Petroleum, Fertilizers, Oil Drilling and General Engineering amongst others.

Innovation and the constant initiative to improve is what keeps Jindal SAW always moving ahead. In-house research and investment in the latest processes and techniques also helps in maintaining an edge over competition. Jindal SAW has recently set up a Ductile Iron pipe manufacturing plant at Abu Dhabi, UAE with an installed capacity of 350,000 MT per annum. To shore up its capacity further, the company is setting up a Ductile Iron Fittings plant at Solapur, Maharashtra with an annual production capacity of 18000 MT per annum.

For the world: a bulb



FOR US: THE SPARK
OF INNOVATION



For the world: a compass



**FOR US:
ENDLESS AVENUES
TO EXPLORE**

Resting on laurels has never been an option at Jindal SAW. Which is why, Jindal ITF – a subsidiary of Jindal SAW Ltd. is venturing ahead in varied areas of business. Bearing the impact that a sustainable ecosystem will have on future generations, Jindal ITF is redefining existing norms in the areas of Water and Waste Water Management, Solid Waste Management, Logistics and Transportation Equipment Fabrication.

For the world: waste

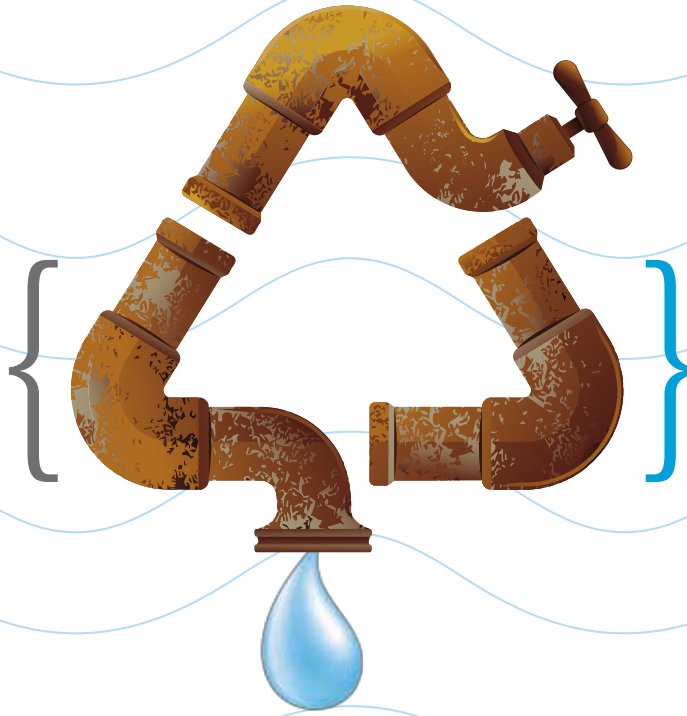


FOR US: ENERGY IN THE MAKING

JITF Ecopolis ensures that nothing ever goes to waste with its Integrated Waste Management facility. Breathing back life into waste is India's largest Waste-to-Energy facility at Okhla, Delhi which processes 1300 Tons of municipal solid waste every day into clean and renewable energy. Registered with the United Nations Framework Convention on Climate Change (UNFCCC), the project is processing one-third of Delhi's municipal solid waste into power that lights up 6 lakh homes. Furthermore, two additional urban integrated waste management projects in Punjab are also helping regenerate compost in a sustainable and eco-friendly way.



For the world:
waste water



FOR US: RE-USABLE
WATER



JITF Aquasource is playing an important role in water conservation by offering Water and Waste Water Management Solutions. Harnessing international expertise through collaboration with leaders in the field, JITF Aquasource is steadfast in its commitment to provide innovative processes for optimisation of Water and Waste Water Management.

All projects are executed on Concessions, Public Private Partnerships (PPP), Build, Own, Operate and Transfer (BOOT), Build, Operate and Transfer (BOT), Engineering, Procurement and Construction (EPC) with long term Operation and Maintenance (O&M).



JITF Vector is rapidly changing the face of cargo transportation along the Indian coastline and inland waterways. Through innovative logistics solutions, it is meeting the growing challenges of fuel linkages, especially coal, for the ever growing power generation base of India.

Operating a versatile fleet of vessels, which includes three container ships; three bulk including one panamax size vessel and twenty three barges, Jindal Vector offers break bulk and short sea shipping operations. This, along with a multi-modal transportation approach promises consistency in delivery schedules.

For the world: a boat



FOR US: PRO-ECOLOGY TRANSPORTATION

For the world: a pen drive

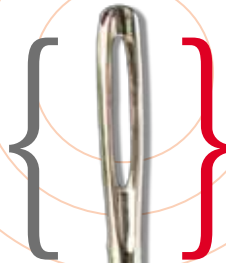


FOR US: INCREASING LOAD-BEARING CAPACITY



Jindal Rail has set up a world class facility at Vadodara, Gujarat using state-of-the-art robotic cells and special purpose machinery to manufacture 3000 wagons per annum for Indian Railways and private players in the industry. Made of aluminum and steel, which are much lighter in weight, these wagons offer far more spacious interiors. The wagons made are used for specific purposes, which include Open (BOXNHL type) Wagons for transportation of Coal, Iron Ore etc., Container flat Wagons (BLC type) for containers, Covered (BCNHL) Wagons for cement, food grain and Special Purpose commodity specific Wagons for the bulk movement of cement, fertilizers, fly ash etc.

For the world:
an eye of a needle

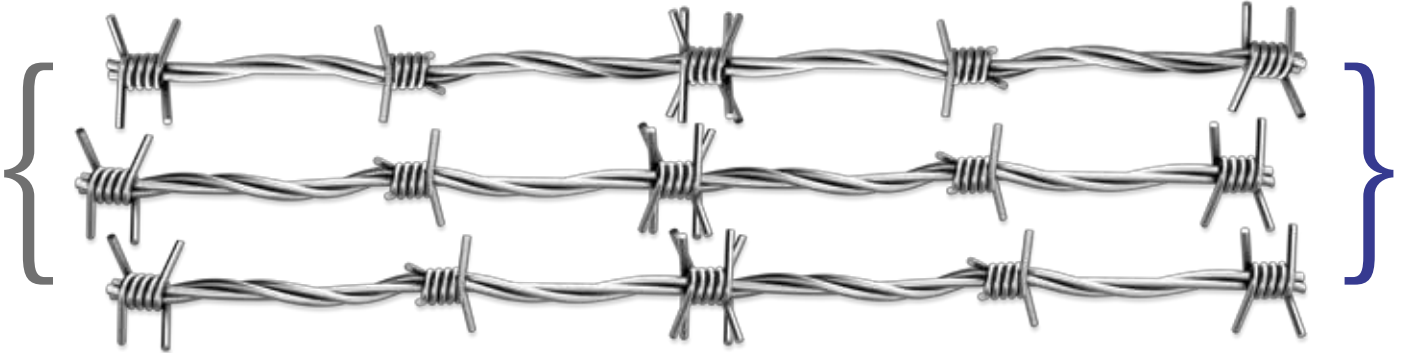


FORUS: FOCUS TOWARDS NEW FRONTIERS

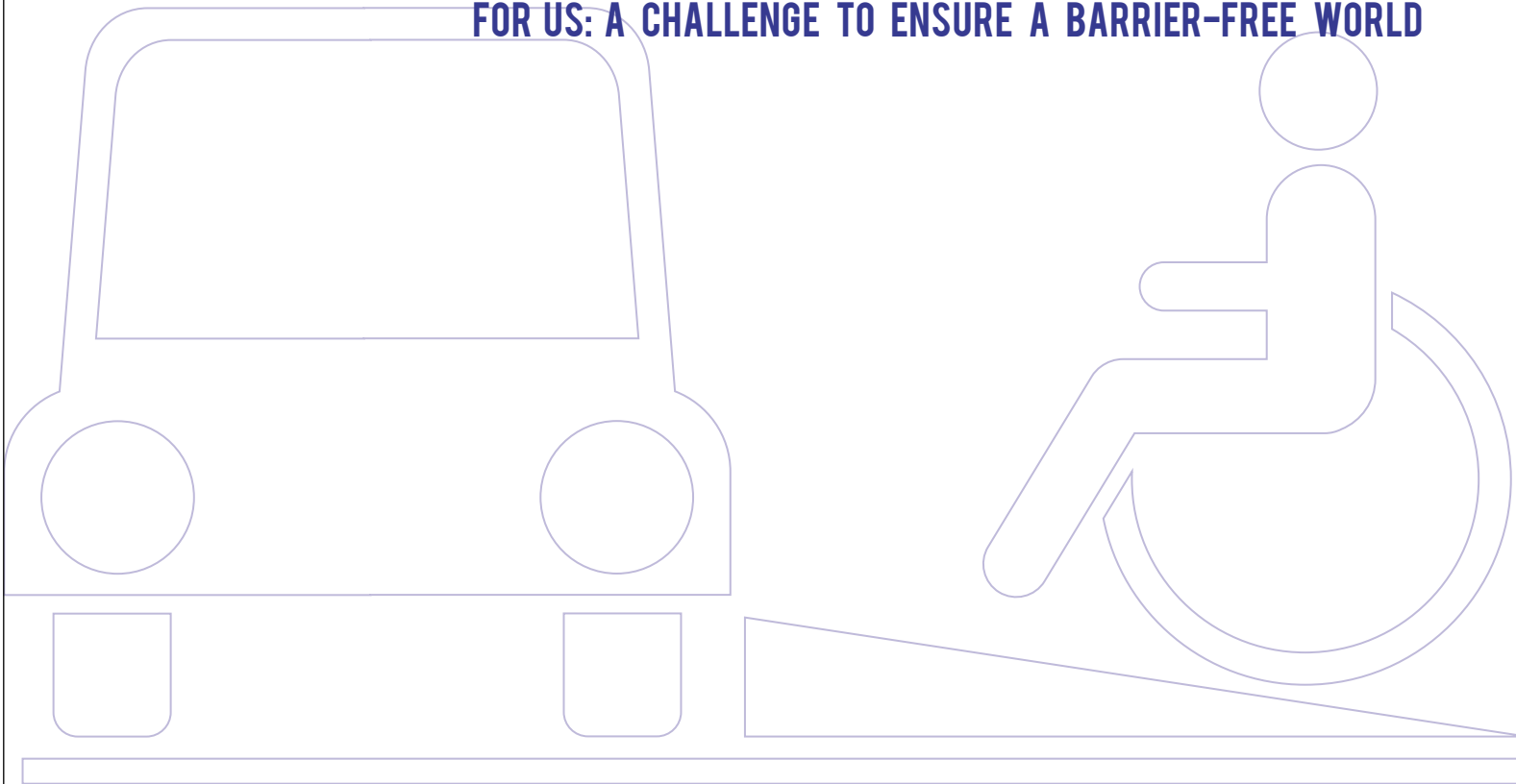


The development of the India Maritime Technology Park in Gujarat as the state's first maritime industry cluster has set JITF Shipyards firmly on the course of new frontiers in the shipping industry.

For the world: a barrier



FOR US: A CHALLENGE TO ENSURE A BARRIER-FREE WORLD



Jindal SAW continues to support Svayam in its mission to raise awareness and also motivate various civic and government agencies in making public infrastructure, including public transport, accessible and inclusive for all, including the elderly and the disabled. Svayam voices the mobility needs of people to government bodies and to society at large to make sure that each one of us thrives in an inclusive and barrier free environment.

Svayam successfully hosted TRANSED 2012 in New Delhi. 628 delegates from 34 countries from across the globe participated in the conference.



DIGNITY FOR PEOPLE WITH REDUCED MOBILITY

SVAYAM'S INITIATIVES

Ramps at
World Heritage Sites



Accessibility
in Pedestrian
Infrastructure



Ms. Sminu Jindal, MD, Jindal SAW, receiving the 'National Tourism Award' for making Fatehpur Sikri group of monuments accessible



Hosted TRANSED 2012 at New Delhi, India

Directors

Smt. Savitri Devi Jindal
Sh. P. R. Jindal
Sh. Indresh Batra
Ms. Sminu Jindal
Sh. Devi Dayal
Dr. S. K. Gupta
Sh. Kuldip Bhargava
Dr. Raj Kamal Agarwal
Sh. Ravinder Nath Leekha
Sh. Girish Sharma
Sh. H. S. Chaudhary
Sh. Neeraj Kumar

Chairperson
Vice Chairman (Non Executive)
Managing Director
Managing Director
Director
Director
Director
Director
Director
Director
Whole Time Director
Group CEO & Whole-time Director

Company Secretary

Sh. Sunil K. Jain

Bankers

State Bank of Patiala
State Bank of India
Punjab National Bank
Canara Bank
Axis Bank Ltd.
Credit Agricole Corporate and Investment bank
HDFC Bank Ltd.
ICICI Bank Ltd.
ING Vysya Bank Ltd.
Standard Chartered Bank
State Bank of Mysore
State Bank of Travancore
Syndicate Bank
United Bank of India
Karnataka Bank Ltd.

Statutory Auditors

M/s N. C. Aggarwal & Co.
Chartered Accountants

Internal Auditors

M/s Singhi & Co.
Chartered Accountants
M/s T. R. Chadha & Co.
Chartered Accountants

Registered Office

A1, UPSIDC Industrial Area,
Nandgaon Road, Kosi Kalan
District Mathura, 281403 (U.P.)

Corporate Office

Jindal Centre,
12, Bhikaiji Cama Place,
New Delhi - 110066

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{ VICE CHAIRMAN'S MESSAGE }



Dear Shareholders,

To meet the rapidly growing needs of infrastructural development, we at Jindal SAW have continuously strived to establish and maintain our strong presence around the world. Keeping the global demand dynamics in focus, we have further strengthened our emphasis on the DI segment while the SAW pipe segment continues to keep us engaged. This year, a DI plant in Abu Dhabi, UAE, was commissioned with an installed capacity of 350,000 MT per annum. Now, our total capacity for DI stands at 0.9 million MT a year.

All these endeavors will not only add to the client base but will help to diversify in terms of the product portfolio, geographies and to help achieve the vision of being a market leader, not just on the home turf but also in these rapidly emerging economies.

Having expressed this, I admit that the industry we are in is heavily dependent on the business activities in the economy and the views of various stakeholders on the future macro-economic scenario. Since we are in the last phase of a down-beat domestic and international business cycle, I firmly believe that the best numbers are yet to come. We are keenly observing all the relevant factors to stay abreast with the possible business opportunities as well as associated challenges which we are well equipped to meet head-on. Once this phase passes through, we will be tall set to reap the rewards.

In extension to our commitment to provide society with a sustainable urban infrastructure, Jindal ITF has continued to set new benchmarks. Jindal ITF Aquasource, opens new business opportunities in the water and waste water management segment. A steady order flow has ensured encouraging top line. As the demand for expertise in sustainable water management grows, we expect an even breakup of growth in the rural as well as urban centers.

To unleash the immense potential of India's huge coastline and a significant demand-supply gap, Jindal ITF Vector has navigated the Indian coastline and the Inland waters very well. Our impressive fleet of ships offers diverse range of ships and containers options for short sea shipping to break bulk ships. With this fleet, we can ensure a highly efficient cargo shipment and delivery service to our clients. Our integrated multi-modal logistics services meet the logistics needs efficiently. Jindal ITF Vector leverages the fact that waterborne cargo is the most economical and sustainable way of transporting the goods.

Jindal Rail Infrastructure has an installed capacity to manufacture 3000 wagons per annum for Indian railways and various other domestic as well as international clients.

JITF Ecopolis has set new benchmarks of municipal solid waste management by successfully running India's first Waste-to-Energy facility in New Delhi. Currently, it processes about one third of the total municipal solid waste of Delhi to produce the much

needed electricity. This serves our dual purpose of turning every challenge into a business opportunity and to ensure the sustainability of the environment from where we seek these opportunities.

I would like to take this opportunity to thank all our stakeholders including each and every employee of the company. It is their dedication that helps us envision a future, filled with opportunities.

Having seen many cyclic ups and downs, transitions and changes in our internal and external environment, we remain steadfast towards our core values. This is the reason why our effort to restore dignity and independence for elderly and persons with disabilities continues tirelessly. With our corporate social responsibility initiative - Svayam, we have been working towards ensuring equitable access to public resources including public infrastructure. Svayam successfully organised a side event at International Transport Forum (ITF), Leipzig, Germany advocating the funding requirements for accessible public transport systems.

I deeply appreciate the faith reposed in Jindal SAW and the unstinting support that is extended as always in good and tough times. We treat your trust as a big responsibility and will undertake all steps to ensure that your trust is well placed.

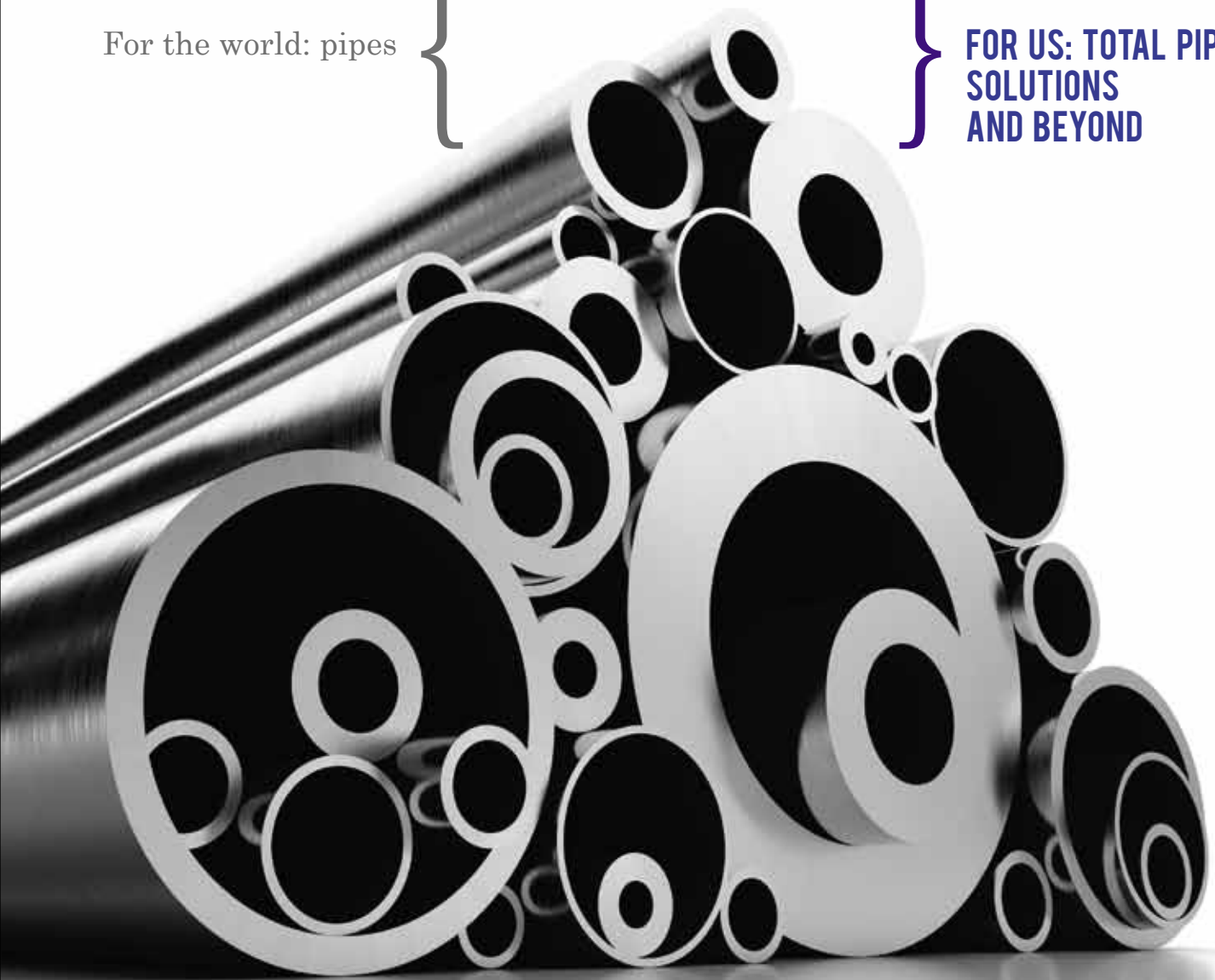
Jai Hind!

P.R. Jindal

For the world: pipes



FOR US: TOTAL PIPE
SOLUTIONS
AND BEYOND



DIRECTORS' REPORT

To
The Members,
Your Directors are pleased to present the 28th Annual Report and Audited Statement of Accounts of the Company for the year ended 31st March, 2013.

I. FINANCIAL RESULTS

PARTICULARS	Year Ended 31st March, 2013 (₹ in crores)	Year Ended 31st March, 2012 (₹ in crores)
Gross Sales & Income from Operations	5760.03	5379.96
Profit before Interest, Depreciation and Exceptional Items	685.19	727.36
Less:		
- Interest	150.08	113.93
- Depreciation	154.95	149.66
- Exceptional Items	114.24	140.80
Profit before tax	265.92	322.97
Tax Expenses	72.51	98.78
Profit After tax	193.41	224.19
Add: Balance brought forward from previous year	168.79	144.42
Foreign Exchange Translation Difference	(0.05)	(0.13)
Previous year Tax Adjustments	(0.53)	2.01
Total amount available for appropriation	361.62	370.49
Less: Appropriations		
(a) Transfer to General Reserve	100.00	150.00
(b) Proposed dividend on Equity Shares	27.62	27.62
(c) Corporate Tax on dividend	4.70	4.48
(d) Debenture Redemption Reserve	31.52	19.60
Balance carried to Balance Sheet	197.78	168.79

2. REVIEW OF OPERATIONS

The sales break up for the year 2012-13 is given here under :-

Products	Quantity Sold (MT)	Values (₹ in crores)
Large Dia Pipes		
- L Saw	3,26,361	240.46
- H Saw	1,67,557	93.96
Ductile Iron Pipes	2,25,593	1,16.00
Pig Iron	44,834	12.50
Seamless Tubes	1,15,256	96.40
Total	8,79,601	5,59.32

Geographical Break up

- Sale in India - 39% - Sale outside India - 61%

The Company produced 8,80,822 MT pipes in 2012-13 as against 854,880 MT in 2011-12.

Saw Pipe Segment : Sale under this segment remained volatile from quarter to quarter on account of the delivery schedules of the buyers as well as lower order book. The operating profit remained under pressure largely due to significant competition and poor demand conditions in domestic and international markets.

DI Pipe Segment : Ductile Iron (DI) pipes segment has seen improved performance which is likely to continue. Small DI pipe facility with blast furnace capacity of approx. 2,00,000 MTPA was put to commercial operation in the quarter ended 31st March 2013. Production has started and the capacity is being gradually ramped up as the production process gets stabilised. The Coke Oven facility and the incremental captive power generation facility related to the DI plant will be commissioned in 2013-14. These facilities are expected to stabilise in the coming months.

DIRECTORS' REPORT

Seamless Segment : This segment has witnessed weaker demand, production and sales. The situation is expected to improve gradually in domestic and export market.

Mining : Operations have commenced in FY 2012-13 and we produced 212,487 MT of concentrate, a part of which was used captive. The beneficiation has resulted in improvement in Fe content. However, the material still needs stability in composition. Mining operation along with pellets expected to bring benefits from the year 2013-14.

3. DIVIDEND

The Board has, subject to the approval of Members at the ensuing annual general meeting, recommended a dividend of ₹ 1/- per equity share of ₹ 2/- for the year ended 31st March, 2013.

The Board's recommendation for a stable and steady dividend is linked to Company's long term requirements of funds for meeting the working capital needs, capital expenditures for its growth plans & modernization and to finance such plans by retaining back the profits.

Together with the corporate tax on dividend, the total outflow on account of equity dividend is ₹ 32.32 crores.

4. MANAGEMENT DISCUSSION AND ANALYSIS AND CORPORATE GOVERNANCE

A separate report on Management Discussion and Analysis is enclosed as a part of the Annual Report.

Another report provides information / status on the Corporate Governance.

5. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed by the Board of Directors: -

- that in the preparation of the annual accounts for the financial year ended 31st March, 2013, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review ;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the accounts for the financial year ended 31st March, 2013 on a 'going concern' basis.

6. DIRECTORS

Shri Devi Dayal, Dr. Raj Kamal Agarwal and Shri Kuldip Bhargava retire by rotation and, being eligible, offer themselves for re-appointment.

The Board of Directors appointed Shri Neeraj Kumar as an additional director and designated as Group CEO & Whole-time Director in their meeting held on 27th May, 2013. As per the provisions of section 260 of the Companies Act, 1956 he holds office up to the conclusion of ensuring annual general meeting. The Company has received a notice under section 257 of the Companies Act, 1956 from a shareholder proposing his candidature to the office of Director of the Company. He will not be liable to retire by rotation.

7. AUDITORS & THEIR REPORT

M/s N. C. Aggarwal & Co., Chartered Accountants, Auditors of the Company retire at the ensuing annual general meeting, and, being eligible, offer themselves for re-appointment.

Auditors' remarks in their report read with the notes to accounts referred to by them are self-explanatory.

8. COST AUDIT

Pursuant to Section 233 B of the Companies Act, 1956, the Board, subject to the approval of Central Government, has re-appointed M/s. R. J. Goel & Co., Cost Accountants, to audit the Cost Accounts of the Company for the year ended 31st March, 2014.

The Company has submitted Cost Audit Report and other documents for the year ended 31st March 2012 with the Central Government by filing Form-1 on 15.01.2013.

9. PUBLIC DEPOSITS

The Company had repaid the deposits matured during the year except unclaimed deposits aggregating ₹ 2.14 crore at the end of the year.

10. PARTICULARS REGARDING CONSERVATION OF ENERGY, ETC.

Information in accordance with the provision of Section 217(1)(e) of Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo are given in the statement annexed hereto.

11. SUBSIDIARY COMPANIES

The prescribed particulars relating to subsidiaries are being provided in this Annual Report. However, pursuant to circular No. 2/2011 dated 8th February, 2011 issued by the Ministry of Corporate Affairs, the balance sheet and statement of profit & loss of the subsidiaries are not attached herewith. Any member interested in obtaining such particulars may write to the Company Secretary at Jindal Centre, 12, Bhikaiji Cama Place, New Delhi-110 066.

DIRECTORS' REPORT

12. PERSONNEL

The industrial relations remained cordial throughout the year. The details of employees under provision of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, are annexed hereto.

Place: New Delhi

Dated: 27th May, 2013

13. ACKNOWLEDGEMENT

Your Directors express their grateful appreciation to concerned Departments of Central / State Governments, Financial Institutions & Bankers, Customers and Vendors for their continued assistance and co-operation. The Directors also wish to place on record their deep sense of appreciation for the committed services of the employees at all levels. We are also grateful for the confidence and faith that you have reposed in the Company as its member.

For and on behalf of the Board

Sminu Jindal
Managing Director

H. S. Chaudhary
Whole-time Director

DIRECTORS' REPORT

ANNEXURE TO THE DIRECTORS' REPORT

ANNEXURE I

PARTICULARS REQUIRED UNDER THE COMPANIES (DISCLOSURES OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988.

CONSERVATION OF ENERGY:

(a) ENERGY CONSERVATION MEASURES TAKEN:

1. Variable Frequency Drive on high power centrifugal pumps in Quenching & Tempering Furnace have been provided.
2. Automatic timer based power off switch system has been installed for auxiliaries so that power consumption is saved whenever main Mill stops.
3. Formation of Air Compressor Discharge Grid to reduce the number of Compressors running at a time, thereby reducing the power consumption.
4. All the DG engines have been overhauled to improve their efficiency. DG Set shifted near MCC Room and raised the efficiency of DG Set by reducing Line Power Loss.
5. Turbine Control Woodward on Line PID Gain setting done for Generator Speed Control and MRU4 Relay provided at Grid receiving end for avoiding nuisance tripping of Generator.
6. ACW Pumps Impellers were trimmed for load reducing on Motors.
7. 11KV HT Panel Bus-bars are replaced by Copper in place of Aluminum for reducing the Power Loss and minimize the heat generation.
8. We have implemented & installed the AC drive panel & capacitor panel to reduce the power consumption, increase the capability of plant and reduce breakdown time and improve the power factor. By installing in-house make capacitor panels, we have maintained power factor of plants at Nanakapaya unit above 0.97 and as a result get PF rebate from PGVCL (GEB) of around ₹10 lacs..
9. Installation of COOLLITE energy saving equipment in Spiral Plant at Bellary for saving energy in illumination. By using this, approximately 20% of energy consumed for illumination in Spiral Plant is saved.

10. The conveyor motor control in Spiral and Coating Plant are re-arranged for staggered operation. The no. of conveyor motors in a group are reduced and are controlled through sensors in Coating Plant avoiding idle running.

11. A temperature controller is provided for the process cooling tower fans in Coating Plant. The cooling tower is designed for the maximum capacity of the Plant with the fans operating continuously. Now, the fans operate on the actual water temperature which depends on size of the pipe being coated.

(b) ADDITIONAL INVESTMENT AND PROPOSAL FOR REDUCTION OF CONSUMPTION OF ENERGY :

1. Installation of 45kw Encoder based motor and VFD with PLC system in JCO-I press.
2. Old ACC Fan Motors [VHRPP-I] speed to be controlled by VFD.
3. Centralized Air Conditioning to be provided for DCS Control Room, Office, UPS & Battery Room and other required areas in place of individual set.
4. More Timers provided for plant lighting.
5. Installation of COOLITE, energy saving equipment in Coating Plant for saving energy in illumination.

(c) IMPACT OF ABOVE MEASURES :

The continued focus on energy conservation measures have resulted improvement in Power factor & energy saving & reduced break down time. This shows our focus on commitment towards energy conservation & saving of natural resources.

DIRECTORS' REPORT

FORM "A"

Form for disclosure of particulars with respect to Conservation of Energy

POWER & FUEL CONSUMPTION

	Year Ended 31st March, 2013	Year Ended 31st March, 2012
(I) Electricity :		
Purchased Units (in crores)	17.39	14.78
Total Amount (₹ in crores)	117.32	101.67
Rate Per Unit (₹)	6.75	6.88
(II) Own Generation		
(a) Through (WHRPP) power plant/ Wind Power Plant		
Units (in crores)	9.98	9.77
Total Amount (₹ In crores)	16.84	16.28
Rate per Unit (₹)	1.69	1.67
(b) Through D.G. Set		
Generated Units (in crores)	0.73	1.94
Unit per Litre of Oil	3.57	3.37
Cost Per Unit (₹)	11.86	11.71
CONSUMPTION PER UNIT OF PRODUCTION		
Iron & Steel Pipes / Products (PMT)	272.53	260.62
Iron Ore Concentrate (PMT)	45.42	-

FORM "B"

Form of disclosure of particulars with respect to Technology Absorption for 2012-13

1. Specific areas in which Research & Development carried out by the company.

The Company has embedded R&D activities into its manufacturing process which is continuous activity. The constant efforts are made to improve production efficiency, maximizing revenue and minimizing expenditure and impact on environment. The benefits of ongoing continuous R&D as embedded in the manufacturing process are derived by achieving the desired results. Since this is inbuilt and continuous process, no specific expenditure has been allocated under the head "Expenditure on R & D"
2. Benefits Derived
3. Future Plan of Action
4. Expenditure on R & D
5. Technology absorption, adaptation and innovation
 - A. Efforts made, in brief, towards technological absorption, adaptation and innovation
 - i) The Company has recently commissioned new Blast Furnace with latest technology :
 - a) Close Loop Stave Cooling System using DM water.
 - b) Dry De - Dusting Blast Furnace Gas System.
 - c) High Temperature Hot Blast Stoves.
 - d) Pulverized Coal Injection Features.
 - ii) High productivity Small Dia Ductile Iron Pipe plant commissioned with most updated and latest technology.
 - B. Benefits derived as a result of the above efforts
 - i) Benefit derived from efforts A(i) stated above are as follows:
 - a) 70% reduction in coating water consumption
 - b) Cleaner environment and no water pollution as well utilizing specific heat of BF gas.
 - c) Reduction in coke consumption by increased in hot blast air temperature from 900c to 1000c.
 - d) Reduction in metallurgical coke consumption and parcal replacement with pulverized coal giving cost benefit.
 - ii) Benefit derived from efforts A(ii) stated above are as follows:
 - a) High volume production of small dial ductile iron pipe.
6. Foreign Exchange

	Year Ended 31st March, 2013 (₹ in crores)	Year Ended 31st March, 2012 (₹ in crores)
a) Earning	3,210.10	2,697.79
b) Used	2,718.06	2,512.77

DIRECTORS' REPORT

Particulars of employees as per Section 217 (2A) of the Companies Act, 1956 read with the companies (Particulars of Employees) Rules, 1975 and forming part of Directors' Report for the Financial Year ended 31st March 2013

A) Employed throughout the Financial Year and in receipt of remuneration aggregating ₹ 60,00,000/- or more per annum

S.No.	Name of the Employee	Age	Designation/ Nature of Duties	Remuneration (₹)	Qualification	Experience (Year)	Date of Commencement of Employment	Last Employment
1	Sh. Indresh Batra*	40	Managing Director	21,814,600	B.A. (Economics) P.G. in Mgt. & AMO	17	28/04/2007	Rockefeller Foundation
2	Ms. Sminu Jindal*	40	Managing Director	27,598,658	B.Com (Hons.) MBA (Finance)	20	01/08/1992	N. A.
3	Sh. O. P. Sharma	66	COO (L Dia Pipe-SBU)	9,139,750	Intermediate	46	14/04/1986	Kajeco Industries
4	Sh. Dharmendra Gupta	46	Director (Mines & Steel)	8,227,200	Ph. D. (Metallurgical Engineering)	24	1/10/2011	Shree Ram Electrocast Pvt. Ltdy
5	Sh. Anurag Shrivastava	47	President (Mudra Operations)	6,472,476	B.E. (Mechanical)	26	17/05/2011	Arcelor Mittal, Kazakhstan
6	Sh. Vinay Kumar Gupta	49	Sr. V. P. (Finance)	6,382,728	C.A.	25	27/01/2006	Score Information Technology Ltd.
7	Sh. V. S. Konnur	63	Joint M.D. (Seamless Business)	9,270,918	B.E. (Mechanical)	39	27/06/2005	The Indian Seamless Metal Tubes Ltd.
8	Sh. Sohan Lal Maine	56	President (Works)	8,979,590	B.E. (Mechanical)	31	8/10/2011	Mahindra & Mahindra Ltd.

B) Employed for a part of the Financial Year and in receipt of remuneration aggregating ₹ 5,00,000/- or more per month

S.No.	Name of the Employee	Age	Designation/ Nature of Duties	Remuneration (₹)	Qualification	Experience (Year)	Date of Commencement of Employment	Last Employment
1	Sh. Ravindra Nath Aga	70	President	5,400,827	M.Phil, MBA, B.E.	39	1/1/2009	Indian Railways

Notes:

- 1 Remuneration includes salary, commission, contribution, to provident and other funds and perquisites including medical, leave travel, leave encashment and gratuity on payment basis and monetary value of taxable perquisites etc.
- 2 All the above appointments are non contractual except marked* and are terminable by notice by either side.
- 3 None of the employee is related to any director of the company except Ms. Sminu Jindal and Shri Indresh Batra who are related to Smt. Savitri Devi Jindal and Shri P.R. Jindal.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Company Overview

We are India's most diversified manufacturer and supplier of pipe products for the energy, water industry and other industrial applications. Our customers include most of the world's leading oil and gas companies, municipal corporations as well as engineering companies engaged in constructing oil and gas gathering, water transportation system, power and automobiles facilities. Our principal products include (a) large diameter SAW pipes (Longitudinal Submerged Arc Welded (LSAW) and Helically Submerged Arc Welded (Spiral/ HSAW), (b) Seamless Tubes, and (c) Ductile Iron (DI) pipes. Our manufacturing facilities are located in western, northern and southern part of India. Our Indian production facilities produce pipes to meet global specifications and standards. We sell approx.50% of our products in global markets. We are one of the largest global producers of Ductile Iron pipes with manufacturing facilities in India, UAE and Europe.

We have secured Iron Ore Mines in Rajasthan on a 30 years lease and has set up facilities at the mine head for preparation of Iron Ore Concentrate and production of Iron Ore Pellets. Iron Ore Pellets are currently in demand for manufacture of Sponge Iron and other products. We expects to set up facilities to produce Steel Ingot and Sponge Iron as a forward integration and further value addition. The new facilities are expected to go into production in 2014-15.

OIL & GAS SECTOR REVIEW

The Oil and Gas business is a global industry with many dimensions impacting our day to day lives. The industry serves the 7 billion populations with nearly 60% of their energy requirements. Globally the energy market is growing continuously and rapidly with Oil and Gas firms investing significantly in maintaining and increasing their share in the market. This has a direct relevance with the increasing energy demand by the developing nations like China and India; hence deep water, arctic regions, etc are being explored for new finds.

International policies and political disturbances are bringing in a new dimension to the business. Oil and Gas are flowing continuously through tankers and pipelines from Middle East, Latin America, Africa, etc to various other developed, developing and under developed nations. Water ways being the preferred route for transporting Crude oil and petroleum products, pipelines see their own importance for the transfer of Natural Gas across geographies owing to the uninterrupted supply and being economical.

The International Energy Outlook 2011 (IEO2011), released by the U.S. Energy Information Administration (EIA), shows world energy use increasing 53% by 2035 with China and India accounting for half of the total growth. Other key findings in the Outlook indicate that the economies of China and India are among those least affected by the prolonged global recession.

With strong economic growth projected in both countries, their combined energy use will more than double by 2035, when they account for 31% of energy consumption. In 2035 the report indicates that China's energy demand will be 68%

higher than in the U.S. The per capita oil and gas consumption has grown significantly in India and China while Europe has seen a drop in oil and gas consumption. This demand has seen the Oil prices go beyond \$100 mark. Also the increase in Gas Pipelines has seen a surge in consumption centers for Natural Gas and Shale Gas across the globe. Natural gas is emerging as a better fuel for domestic as well as industrial consumption. This along with high transportation costs is prompting new pipelines to be established.

The Outlook notes that world natural gas trade, both by pipeline and by LNG, is expected to rise. Most of the projected increase in LNG supply comes from the Middle East and Australia where several projects should become operational in the next decade. World liquefaction capacities will more than double in 2035. Pipelines under construction or planned will increase natural gas exports from Africa to European markets and from Eurasia to China.

In India, Oil and Gas industry has been growing at the rate of 9% over FY 2009-12. While India's Crude Oil consumption has grown at CAGR of 4.3% for the last ten years, Natural Gas consumption has also increased from 2.7 to 5.9 bcf per day in the last ten years. The government has been keen on securing energy needs by increasing international footprints in the upstream sector and developing domestic gas infrastructure. The demand of petroleum products is expected to increase at a CAGR of 4.7% while that of Natural Gas will see a CAGR of 19.2%. Also, the natural gas demand would rise to 115 to 135 bcm by 2020 of this 70- 90 bcm could be produced within nation and rest has to be imported; pipelines would then play a vital role to bridge this gap.

Large Dia welded Pipes

Pipelines are the backbone of a nation's infrastructure. Pipes are used in Automobiles, airports, metros, malls, Oil exploration, crude oil, product & gas transportation and for water & sanitation purposes. Owing to growing energy demand and cost of transporting hydrocarbons through other sources like rail and road becoming expensive, pipeline networks are laid to make hydrocarbons reach its users let it be domestic or industrial. These pipes see a varied application across various Oil & Gas and Non Oil sectors. The location of use (over-ground, below ground or under water), pressure & temperature of fluid flowing, volume of fluid are some of the major parameters that decide the class of pipe to be used. Based on the type of fluid flowing through the pipelines and the surroundings, relevant coating is also done internally and externally to increase the life of the pipelines.

With robust economic recovery expected to continue in China, India, and other non-OECD nations, it is no surprise the Asia/ Pacific accounts for the highest number of new and planned pipeline miles. India has announced plans to double its natural gas pipeline network over the next five years including development of a national gas grid by 2017. Middle East is also seeing substantial increases in energy demand which could lead to more pipelines.

MANAGEMENT DISCUSSIONS AND ANALYSIS

Welded pipes (LSaw and Spiral) market, though encountering overcapacity conditions particularly in North America, is expected to witness steady growth in the upcoming years driven by the implementation of new pipeline projects. Investments in oil and gas exploration and production, which are influenced by prevailing crude oil & gas prices, have a considerable impact on the demand for LSaw and HSaw Pipes. Resurgent world economy and consequent increase in the demand for industrial natural gas is expected to drive up momentum of the welded pipes market.

Global demand for HSaw pipes, which are primarily used in the transportation of oil and gas and in water transportation projects, is closely linked to the investments in the energy sector. The energy sector makes use of HSaw pipes with diameters of up to 60" and up to 80 feet in length. Another factor that is expected to fuel demand for HSaw is new pipeline construction activity due to the shift of population from traditional centers that would necessitate development of infrastructure for delivering oil and natural gas to the new locations.

Despite the prevailing conditions, potential opportunities are expected primarily from the implementation of new pipeline projects in the upcoming years, resurgent growth of the US economy, and increased demand from natural gas exploration operations. Also, overcapacity conditions are expected to fade away in the coming years, as several megaprojects are set to be taken up across the world, particularly in regions such as Southeast Asia, Australia, Middle East, Africa, and West Asia.

Seamless Pipes & Tubes

As per a comprehensive global report by Global Industry Analyst INC (GIA) on the Seamless Pipes and Tubes markets. Global market for Seamless Pipes and Tubes is projected to reach 113.8 million tons by 2018, with demand growth mirroring the dynamics of the energy sector and gains led by the rise in rig count and increasing prices of oil and gas, particularly in North America, the Middle East and Latin America.

Oil and gas industry generally exhibit resilience to periods of economic slump due to the fact that energy demand continues to rise even when conventional reserves of oil and gas are rapidly shrinking. Apart from the energy sector the demand for seamless pipes and tubes also emerges from automobile, power generation and fertilizers markets, among others. Demand growth for seamless steel pipes and tubes is expected from high energy-consuming countries across Middle East, Asia, Australia, and Latin America, which are intensifying oil and gas exploration activity to meet the escalating demand from respective domestic markets. In North America and Europe, increased focus on developing shale gas reserves for ensuring energy security is expected to offer opportunities for seamless pipe makers. High potential also exists for products such as oil country tubular goods (OCTG) and structural tubes, due to new offshore drilling and exploration activity, and installation of pipelines for transporting petrochemicals. Escalating demand

for energy from emerging nations and the subsequent increase in the number of crude oil and gas development projects are expected to enhance the demand for seamless pipes and tubes.

Increase in offshore drilling operations and anticipated rise in refinery and chemical plant activity levels are also expected to augur well for the seamless pipes market. Seamless OCTG segment continues to benefit from the intensifying activity in the energy exploration industry, and increased emphasis on tapping shale gas. Further, increasing complexity of drilling operations, due to the fact that most of the remaining oil and gas reserves are largely found in difficult-to-reach areas or in areas that require digging to greater depths, are driving demand for seamless OCTG products.

As per the report, Asia-Pacific represents the largest regional market worldwide with the energy sector accounting for significant proportion of the sales. Increased activity in various end-use sectors such as oil and gas, power, and refineries, and resurgent growth in automobile sector is expected to fuel demand for steel pipes and tubes in the region. The demand for seamless pipes and tubes in Middle East and Latin America is expected to post the fastest growth over the analysis period. In the Middle East, strong economic growth particularly in countries such as Saudi Arabia and UAE, rising oil prices and the increasing rig count are contributing to the enhanced demand for seamless pipes and tubes. In the near future, the region is expected to witness intensified demand for line pipes of smaller diameters, in view of the growth in refining operations. The US market for seamless pipes, particularly OCTG pipes, remains favorable owing to the strong rise in rig count, which has offset the decline in the gas rig count as a result of fall in gas prices.

Water Sector Review

Globally 70% of fresh water is used for agriculture, 20% for Industrial and 10% for domestic consumption. Fresh water consumption has grown three folds in the last 50 years. The present water consumption stands at around 1850 billion cum per year. The population is growing by around 80 million every year which accounts for increase in demand for water at 64 billion cum a year.

Global demand for water pipe is forecast to increase 6.8 percent per year through 2017 to almost 14 billion meters, an acceleration from the pace of the 2007- 2012 period. Advances will result from two key factors: in developing nations, access to water supply and sanitation will be increased; in developed nations, a rebound in construction spending will boost demand for building pipe.

In India, the water-piping sector mainly caters to the irrigation and drinking purposes, as water requirement is the highest for these two sectors. Various schemes of Government of India have opened new avenues and opportunities in this sector where there is already an urgent requirement of developing water infrastructure. The country's vast population makes infrastructure and sewage system development a necessity, supporting demand by households that previously did not have a piped water supply.

MANAGEMENT DISCUSSIONS AND ANALYSIS

By 2050, total requirement of water in India is expected to reach 1,180 billion cubic meters, of which nearly 69% would be required for irrigation facilities. Meanwhile, requirement for drinking water and Industrial purpose would increase to 111 billion cubic meter and 81 billion cubic meters, respectively. In order to improve the sanitation levels as also to make available water to common man, the GOI has launched the various reform linked schemes which would drive demand for HSAW & DI Pipes.

Principal risks Factors

The Company faces certain risks associated to its business and the industry in which is operate. It is a steel pipe manufacturer with a strong focus on manufacturing products for specialized oil and gas and water applications. Demand for SAW Pipes depends primarily on the level of exploration, development and production activities of oil and gas companies which is affected by current and expected future prices of oil and natural gas. Several factors, such as the supply and demand for oil and gas, and political and global economic conditions, affect these prices. Demand for DI pipes depends on the investments by municipal corporations for creating water transmission network which can get affected due to allocation of funds by the respective agencies.

The key risks are:

- **Economic risks** : Economic slowdown to effect the order book position of the Company in the interim period. This may have an effect on the capacity utilization, sales and profitability of the Company. However the global demand outlook for SAW pipes (for oil & gas transportation) appears positive over the next five years. Demand recovery for seamless pipes (drilling and industrial capex) should be more gradual, and ductile iron (DI) demand will continue to benefit from high water infrastructure investments.
- **Policy Risk** : Changes in government policies may have an impact on the business and operations
- **Competition** : Increased competition in all the segments from other players may have an impact on the business and profitability. However, the Company believes that competition is healthy for the industry and to mitigate this risk it remains committed for its sustained efforts for optimization of resources, cost control and expanding the markets.
- **Currency Risks** : Our exposures are largely denominated in Indian Rupee and U S Dollars. Our Income Statement is subject to losses due to reinstatement of foreign currency denominated current assets and current liabilities. We are a net exporter and thus follow a natural hedging policy to mitigate the currency risks.
- **Interest Rate Risk** : Interest expenses are part of our finance costs. Although we currently benefit from relatively low interest rates, there can be no assurance that rates will stay low in the future. Additionally, certain part of our loan

portfolio is represented by loans taken out at floating interest rates. Taking into account current low levels of interest rates, we have hedged a part of US Dollar denominated floating interest rate to fixed rate.

- **Risks to Direct costs** : Raw materials prices continue to have a key influence on our production costs. The increase in prices for steel plates, coils, iron ore, coking coal and other raw materials, if not passed on to customers in a timely fashion, can adversely affect our profit margins and results of operations.
- **Legal Risks related to tax structure** : We are subject to various tax payments, in particular, tax on profits, sales tax, excise duty, service tax etc. Changes in tax legislation could lead to an increase in tax payments and, as a result, to a lowering of financial results. In addition, the exports can be subject to anti dumping laws in various countries.
- **Environmental law Risks** : We meet the requirements of national environmental regulations at our Indian and International plants. Although we don't anticipate any significant environmental matters in the countries we operate however if such matters arise, the cost of compliance could have an impact on our business.

Jindal Saw Limited – Strategy, Strengths and Risks

Strategy & Vision

We are India's most diversified manufacturer and supplier of pipe products for the energy, water industry and other industrial applications. We are committed to create value for our shareholders by way of expanding our reach in various parts of the globe including by way of having our own manufacturing presence. We are working to create a best fit and a balance between quality and quantity for our entire range of products to meet the requirements of global customers. We are adding business verticals such as Iron Ore beneficiation, pallets, sponge iron, drill pipes etc to enhance the sales and profitability in a significant way. Despite the economic slow-down in global and domestic markets, we are aiming to achieve year on year all round growth.

Competitive Strengths

We believe our main competitive strengths include:

- a) Our business model of most diversified manufacturer and supplier of pipe products including LSaw and HSaw pipes, Seamless pipes and tubes, Ductile Iron Pipes, Pellets, Sponge Iron and steel products for energy, water industry and other industrial applications
- b) Our multi-location and primarily port based production facilities, in India, and most diversified product range;
- c) our low-cost operations, primarily at state-of-the art, strategically located production facilities with favourable access to raw materials, energy and labour, and 25 years of operating experience; and

MANAGEMENT DISCUSSIONS AND ANALYSIS

- d) Our state of the art production facilities for manufacturing of Ductile Iron Pipes and coating at Abu Dhabi (UAE) and Italy (Europe)
- e) Our solid and diversified customer base and historic relationships with major international oil & gas companies and water utilities around the world with proximity to customers through manufacturing operation;
- f) our human resources globally and skill sets ;
- g) our strong financial condition and relationships with banks and financial institutions
- h) Our Iron ore mines related operations at Bhilwara (Rajasthan).

Subsidiaries

The Company has operations through subsidiaries in India and offshore. In India, the company has presence and operations in Infrastructure space through its subsidiary company names JITF Infrastructure Limited. Besides, the Company also another subsidiary named, IUP Jindal Metals and Alloys Limited which is engaged in manufacturing of rerolling of stainless steel,

The Company has operations in Abu Dhabi (UAE) and Italy (Europe) through 100% subsidiaries designated as special purpose vehicles. These subsidiaries deals in manufacturing of Ductile Iron Pipes. The businesses are being streamlined at these locations.

Jindal Saw Limited, has made forays into some niche infrastructure segments, through its wholly owned subsidiary Jindal ITF Limited (JITF). Few of these niche areas directly concerning the general masses are Water Infrastructure, Waste Water Management and reuse, Municipal Solid Waste management, Clean & Renewable Energy generation, Environment friendly Cargo transportation, which JITF is doing on its own (NTPC Water borne coal handling Project at Farrakka, and through JITF Water Infrastructure Ltd, and JITF Urban Infrastructure Ltd. JITF's other foreys are also maiden initiatives in country's Manufacturing sector – Jindal Rail Limited, and Eco-Friendly and Cost Effective large scale Cargo movement - JITF Waterways Limited.

During the year under review, Jindal ITF Ltd, has shown distinctive project execution skills in terms of high technology oriented projects, being implemented for the first time in the country, successfully. Some of its major achievements are as under:

1. **JITF Water Infrastructure Limited-** Implementing Country's first green field Water Infra Project in Naya Raipur, comprising of Intake system at the river, pumping in large dia pipes to Water Treatment plant, taking treated water to scores of Underground reservoirs (UGRs), Overhead Tanks (OHTs), networking of distribution pipelines including local pumping stations, eventually leading to Metering/Billing & Collection. These works hitherto managed by Municipal Corporations, PWD, CPWD, Jal Boards etc, were executed with complete in house Design & Engg by JITF Water Infra. It actually resulted in a Water being transported for several kilometers by a 60 inch Dia pipe to eventually a 1 inch Dia pipe. It has been completed successfully and O & M being managed for 7 years.

Besides, JITF Water Infra is executing projects from Pondicherry to Guwahati, including several in other parts like Bihar, U P, Odissa, Karnataka etc.

2. **JITF Urban Infrastructure Limited-** Waste Management- JITF achieved COD in country's first Waste to Energy Plant at Delhi. It is fully operational and running successfully. JITF claims to be having country's only operational Waste management Plant, where 1950 MTPD of MSW is being reduced both in weight and Volume on daily basis and is also generating Renewable energy of 17MW on continuous basis. Plant has been visited by various Corporations, ULBs, Urban development Depts., to emulate its example in their area/state. In a country of Low Land Mass and High Population Density, such a Waste to Energy plant has proven a boon.

It is now involved in serious execution of Few Waste management Projects in Punjab, Augmentation in the generation capacity at Okhla.

3. **Jindal Rail Limited-** Stainless Steel Railway Wagon manufacturing : Jindal Rail has successfully achieved the COD of country's first fully atomized Stainless Steel railway Wagon manufacturing facility at Karjan, Vadodara, in Gujarat. RDSO has to develop a new standard for giving approval for its Product and manufacturing Process. RDSO discarded the old Wagon Standard of G-93 to adopt new standard of G-105. The plant is fully automated and Robotic controlled, akin to a modern automobile manufacturing unit.
4. **Jindal ITF Limited-** NTPC Project- Water Borne Coal Transportation : For the first time in the country, Jindal ITF Limited, has started completely water borne imported coal transportation from High Seas to Coal Stock yard of NTPC , where the coal will not touch the land route after being exported by the exporting country. A fleet of mid size ships, River – Sea worthy barges, and a Transhipper will operate to significantly reduce the cost of local transportation of imported coal for NTPC. Buoyed by seeing the meticulous implementation of the project by JITF, NTPC has come up with another similar tender for another such project on the stretch of Ganges, where JITF is a strong contender.
5. **JITF Waterways Limited-** is successfully sailing Coastal vessels both on the east coast as well as on the west coast. During the year, JITF Waterways has sold off couple of old vessels and has procured a large capacity panama vessel, to add to the overall capacity. JITF Waterways continues to provide low cost, reliable, alternate mode of transportation option to Industry. It is also planning to utilize its Bulk Vessel fleet to economize of Cost of Coal Transportation for NTPC Coal handling project in Farrakka.

JITF is now involved in bidding process for another water borne Coal Transportation project for NTPC in Barh, Bihar

All the above initiatives were first in terms of technology as well as discovery of a Revenue Model in the country, and have since been successfully implemented..

MANAGEMENT DISCUSSIONS AND ANALYSIS

FINANCIALS AND PRODUCT WISE PERFORMANCE

The highlight of the operations for the year ended 31st March, 2013 and 31st March, 2012 are as under:

a) Financials

Particulars	Year ended 31st March 2013 (₹ in Crores)	Year ended 31st March 2012 (₹ in Crores)	Increase/ (Decrease) (%)
Gross Sales & Income from operations	5,760.03	5,379.96	7%
Profit before Interest, Depreciation & Exceptional items	685.19	727.36	-6%
- Finance Expenses	150.08	113.93	32%
- Depreciation	154.95	149.66	4%
Profit before Exceptional items & Tax	380.16	463.77	-18%
Exceptional items	114.24	140.80	-19%
Profit before Tax	265.92	322.97	-18%
Tax Expenses	72.51	98.78	-27%
Profit after Tax	193.41	224.19	-14%

b) Company's Sales mix:

Product	Turnover (₹ in Crores)		Growth (%)
	Year ended 31st March 2013	Year ended 31st March 2012	
Iron & Steel Pipes	5,218.52	4,734.93	10%
Steel Plates/& Coils	6.03	9.49	-36%
Pig Iron	140.08	27.13	416%
Others (including scrap)	279.49	251.49	11%

MANAGEMENT DISCUSSIONS AND ANALYSIS

Internal Control and Their Adequacy

The Company has an internal control system supplemented by an extensive programme of internal, external audits and periodic review by the management. The internal control systems are properly implemented which ensures efficient use and safeguard of resources, accurate recording and custody of assets, compliance with prevalent statutes, policies, procedures, listing compliances and guidelines. The system is designed adequately to ensure that financial and other records are reliable for preparing financial information and other data.

The Corporate Audit Department conducts periodic audits with two firms of chartered accountants. They conduct internal audit of operations, establishments, facilities at HO and all plants to ensure that systems are adhered to and the controls are not flouted. The observations arising out of audit are subject to periodic review and monitoring. The significant observations made in internal audit reports, along with the status of action thereon, are reviewed by the Audit Committee of the Board on a regular basis. The Audit committee of Board of Directors reviews the adequacy and effectiveness of internal control systems and suggests ways of further strengthening them, from time to time.

The Company also maintain the policy of change of audit firm to keep the audit transparent and incorporating the experience of new auditors

Material Developments In Human Resource / Industrial Relation

'People before Profit' is the guiding philosophy behind the entire gamut of HR policies at JSAW. We are strongly committed to the development and growth of all our employees as individuals and not just as employees. Our HR philosophy is based on competency, commitment, culture and system.

We focus on performance management, career progression and leadership development, to ensure that meaningful growth and relevant challenges for our employees are delivered.

JSAW is committed to provide a good quality of work-life for its employees. In addition to providing beautiful and safe work places, the company encourages a culture of mutual respect and trust amongst peers, superiors and sub-ordinates. Numerous welfare and recreation facilities including schools and hospitals are provided at the Company's townships to enhance quality of life & the well being of employees and their families. JSAW subscribes to the belief that efficiency, effectiveness and success of the organization, depends largely on the skills, abilities and commitment of the employees, who constitute the most important asset of the organization. We have been focusing on developing talent pool through increased emphasis on training and skill upgradation by in-house and external training, job rotation, job enrichment, job enlargement, multi-skilling etc. To meet the academic aspirations of employees and match them with the needs of the organization, we are having Career Development Scheme (CDS) in place as well.

We, at JSAW, are committed to continuously reviewing and updating our policies and procedures to keep them abreast with latest developments in the field of human resource development with special focus on the use of technology. Currently technology enabled ESS is in practice as a tool of process improvement & employee empowerment.

CSR remains an area of special focus at JSAW and therefore it practices its corporate values through its commitment to grow in a socially and environmentally responsible way, while meeting the interests of its stakeholders.

We are confident of achieving new mile stone of HR road map in the coming years by mutual trust and co-operation between Management and employees.

CORPORATE GOVERNANCE REPORT

(1) COMPANY'S PHILOSOPHY

The Company's Philosophy on Corporate Governance envisages the attainment of highest level of transparency, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, employees, lenders and the Government. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a sustained period of time.

(2) BOARD OF DIRECTORS

(i) COMPOSITION OF BOARD

The composition of Board of Directors during the year ended March 31, 2013, the details of their directorships, chairmanships/ memberships of the Committees, the attendance record at Board Meetings/ AGM, details of remuneration paid to Directors and other details are given below:

Name of Director	Category of Director	No. of Directorships and Committee Memberships/Chairmanship in other public companies		
		Directorship	Committee Chairmanship	Committee Membership
Smt. Savitri Devi Jindal (Chairperson)	Promoter – Non Executive	6	NIL	NIL
Shri P.R. Jindal (Vice-Chairman)	Promoter – Non Executive	12	1	0
Shri Indresh Batra (Managing Director)	Promoter - Executive	7	NIL	NIL
Ms. Sminu Jindal (Managing Director)	Promoter - Executive	12	NIL	1
Shri Devi Dayal	Independent– Non Executive	3	NIL	NIL
Dr. S. K.Gupta	Independent– Non Executive	6	2	7
Shri Kuldip Bhargava	Independent– Non Executive	1	1	1
Dr. Raj Kamal Agarwal	Independent– Non Executive	2	NIL	2
Shri Ravinder Nath Leekha	Independent–Non Executive	NIL	NIL	NIL
Shri Girish Sharma	Independent–Non Executive	1	NIL	NIL
Shri H. S. Chaudhary (Whole Time Director)	Executive	NIL	NIL	NIL

Smt. Savitri Devi Jindal, Shri P.R. Jindal, Shri Indresh Batra and Ms. Sminu Jindal are related to each other in terms of definition of "relative" given under the Companies Act, 1956. None of the other Directors is related to each other.

(ii) BOARD MEETINGS AND ATTENDANCE RECORD OF EACH DIRECTOR

The Board of Directors met 4 times during the year ended 31st March, 2013. These meetings of the Board of Directors were held on 30.05.2012, 27.07.2012, 30.10.2012, and 06.02.2013. The attendance of each of the Directors including at last Annual General Meeting is as follows :

Directors	No. of Board Meetings Attended	Attendance At The Last AGM
Smt Savtri Devi Jindal	3	No
Shri P. R. Jindal	4	No
Shri Indresh Batra	4	No
Ms Sminu Jindal	4	No
Shri Devi Dayal	4	No
Dr S.K.Gupta	4	No
Shri Kuldip Bhargava	4	Yes
Dr Raj Kamal Agarwal	4	No
Shri Ravinder Nath Leekha	4	Yes
Shri Girish Sharma	4	No
Shri H. S. Chaudhary	3	Yes

(iii) DETAILS OF REMUNERATION PAID TO DIRECTORS

(a) REMUNERATION PAID TO NON-EXECUTIVE DIRECTORS

The Non-Executive Directors were paid sitting fees of Rs. 20,000/- for each meeting of the Board, Audit and Shareholders' Grievance Committee or other Committee(s) attended by them. During the year under review the Non-Executive Directors were paid the sitting fee and commission as follows:-

Name of Director	Sitting Fee (₹)	Commission (₹)
Smt. Savitri Devi Jindal	60,000	Nil
Shri P.R.Jindal	80,000	Nil
Shri Devi Dayal	1,60,000	1,00,000
Dr. S. K. Gupta	1,60,000	5,00,000
Shri Kuldip Bhargava	1,60,000	1,50,000
Dr. Raj Kamal Agarwal	3,20,000	1,00,000
Shri Ravinder Nath Leekha	1,60,000	1,00,000
Shri Girish Sharma	80,000	Nil

CORPORATE GOVERNANCE REPORT

* The fixed commission on annual basis is paid to all Independent Directors as follows:

1. Lead Independent Director : ₹ 5,00,000/-
2. Chairman of Audit committee : ₹ 1,50,000/-
3. Remaining Directors : ₹ 1,00,000/- each.

(b) Shareholding of Non-Executive Directors in the Company as on 31st March, 2013 is as follows:

Name of Director	No. of equity shares of ₹ 2/- each
Smt. Savitri Devi Jindal	1,03,800
Shri P.R. Jindal	98,700
Shri Kuldip Bhargava	8,000

(c) REMUNERATION PAID TO EXECUTIVE DIRECTORS

The remuneration paid to the Executive Directors during the year under review is as under :-

Name of Director	Position	Salary (₹)	Commission (₹)	Perquisite (₹)	Bonus (₹)
Shri Indresh Batra	Managing Director	1,09,75,000	90,00,000	39,600	18,00,000
Ms. Sminu Jindal	Managing Director	1,09,30,655	90,00,000	58,68,003	18,00,000
Shri H.S. Chaudhary	Whole-time Director	33,24,288	-	280,673	4,14,144

The terms of appointment of Managing Director are on contractual basis for a period of 5 years from the date of appointment. Terms of appointment of Whole Time Director are contractual for a period of 2 years from the date of appointment. The Company has not issued any stock option.

* @ 1% on the net profits of the Company computed in the manner laid down under section 349 of the Companies Act, 1956, subject to a maximum of an amount equivalent to one year basic salary.

(3) AUDIT COMMITTEE

(i) TERMS OF REFERENCE

The role and terms of Audit Committee covers the area of Clause 49 of the listing agreement with stock exchanges and section 292A of the Companies Act, 1956 besides other terms as may be referred to by the Board of Directors of the Company. The minutes of the Audit Committee are taken note by the Board of Directors.

(ii) COMPOSITION & MEETINGS

The Committee met 4 times during the year on 30.05.2012, 27.07.2012, 30.10.2012, and 06.02.2013. The attendance of the members in the meetings is as follows:-

Name of Member	Status	No. of Meetings Attended
Shri Kuldip Bhargava	Chairman	4
Shr Devi Dayal	Member	4
Shri S. K. Gupta	Member	4
Dr. Raj Kamal Agarwal	Member	4
Shri Ravinder Nath Leekha	Member	4

Shri Sunil Jain, Company Secretary, is the Secretary of the Committee. Head of Finance & Accounts Department, Statutory Auditors, Cost Auditors and Internal Auditors attend the meetings of the Audit Committee. The Audit Committee deals with the various aspects of financial statements including quarterly, half yearly and annual results, adequacy of internal controls & internal audit functions, compliance with accounting standards and Company's financial & risk management policies, etc. It reports to the Board of Directors about its findings & recommendations pertaining to above matters.

(4) REMUNERATION COMMITTEE

The Company has only three executive directors on the Board whose appointment and remuneration has been fixed by the Board and approved by the members. The non-Executive Directors are paid fixed and commission. In view of this, no Remuneration Committee has been constituted.

(5) SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

(i) TERMS OF REFERENCE

To look at redressing of shareholders/investors complaints like transfer of shares, non-receipt of dividend warrants, allotment of securities/ shares on conversion of warrants/ bonds, etc.

(ii) COMPOSITION

The composition of Shareholders/Investor Grievance Committee is as under :-

Name of Member	Status
Shri P. R. Jindal	Chairman
Ms. Sminu Jindal	Member
Dr. Raj Kamal Agarwal	Member

Mr. Sunil Jain, Company Secretary, is the compliance officer of the Company.

This Committee met 8 times during the year ended 31st March, 2013 on 21.06.2012, 01.08.2012, 07.09.2012, 24.09.2012, 30.10.2012, 07.12.2012, 16.01.2013, and 15.03.2013.

(iii) SHAREHOLDERS' COMPLAINT / TRANSFER OF SHARES

The details of shareholders' / investors' complaints received / disposed off during the year under review are as follows :-

NO. OF SHAREHOLDERS' COMPLAINTS RECEIVED DURING THE YEAR	NO. OF COMPLAINTS RESOLVED	NO. OF PENDING COMPLAINTS
9	8	1*

* Since Resolved.

CORPORATE GOVERNANCE REPORT

(6) GENERAL BODY MEETINGS

- (i) The details of annual general meetings held in last three years at the Regd. Office at A-1, UPSIDC Industrial Area, Nandgoan Road, Kosi Kalan-281403, Distt. Mathura, U.P. and that of the special resolution(s) passed are as under: -

AGM	DAY	DATE	TIME	No. & subject matter of special resolutions
25th	Friday	17.09.2010	1.00 p. m.	Nil
26th	Friday	30.09.2011	1.00 p. m.	1*
27th	Saturday	27.09.2012	1.30 p. m.	1**

* Under Section 81(1A) of the Companies Act, 1956.

** Under Section 309 of the Companies Act, 1956.

- (ii) No special resolution passed last year through postal ballot. At the ensuing annual general meeting, there is no resolution proposed to be passed through postal ballot.

(7) DISCLOSURES

- (i) There were no materially significant related party transactions, i.e., transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Transactions with the related parties have been disclosed in schedule No. 44 to the Accounts in the Annual Report.
- (ii) No penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years. There were no instances of non-compliance by the Company.
- (iii) Though the Company has not adopted formal Whistle Blower Policy, the employees of the Company are accessible to the Sr. Management for any counseling or consultation and no personnel have been denied access to the Audit Committee.
- (iv) The Company has complied with the mandatory requirement of clause 49 of the listing agreement. The Company has not adopted non-mandatory requirement of the said clause during the year under review.

(8) MEANS OF COMMUNICATION

- (i) Quarterly Results The quarterly results of the Company are submitted to the Stock Exchanges as well as published in the newspapers as per the requirement of clause 41 of the listing agreement. These results are also posted on website of the Company.

- (ii) Newspaper wherein results normally published English: Business Standard Financial Express
Hindi: Amar Ujala Desh Ratna
- (iii) Any website, where displayed The results are displayed on the website of the Company, i.e., www.jindalsaw.com
- (iv) Whether it also displays official news releases NO
- (v) The presentation made to institutional investors or to the analyst NIL

- (vi) **NSE Electronic Application Processing System (NEAPS):** NEAPS is a web based application designed by NSE for corporates. The Shareholding Pattern and Corporate Governance Report are also filed electronically on NEAPS.

- (vii) **Corporate Filing and Dissemination System (CFDS)**

All disclosures and communications to BSE and NSE are filed electronically through the CFDS portal and hard copies of the said disclosures and correspondence are also filed with the Stock Exchanges.

- (viii) **SEBI Complaints Redressal System (SCORES)**

The investor complaints are processed in a centralised web based complaints redress system. The salient features of this system are:

Centralised Data Base of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of action taken on the complaint and its current status.

(9) GENERAL SHAREHOLDER INFORMATION

- (i) Annual General Meeting
Day & Date : Saturday, 28th September, 2013
Time : 1.30 P.M.
Venue : A-1, UPSIDC Indl. Area,
Nandgaon Road, Kosi Kalan,
Distt. Mathura – 281 403
- (ii) **Financial year (1st April, 2013 to 31st March, 2014)**
- (a) First quarterly : On or Before 14th of August, 2013 results
- (b) Second quarterly : On or Before 14th of November 2013 results
- (c) Third quarterly : On or Before 14th of February, 2014 results
- (d) Audited yearly : on or Before 30th May, 2014 results for the year ending 31st March, 2014

CORPORATE GOVERNANCE REPORT

(e) Annual General Meeting for the year 31st March, 2014 : On or Before 30th September, 2014

(iii) **Date of Book Closure** : 25th September, 2013 to 27th September, 2013 - (Both days inclusive)

(iv) **Dividend Payment Date:**

Dividend on equity shares when sanctioned will be made payable on or after the 3rd October, 2013 to those shareholders whose names stand on the Company's Register of Members on 24th September, 2013 to whom dividend warrants will be posted. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the depositories at the end of business hours on 24th September, 2013.

(v) **Listing on Stock Exchanges :**

The Equity Shares of the Company are listed on the following Stock Exchanges: -

- (i) Bombay Stock Exchange Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
- (ii) The National Stock Exchange of India Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra (E) Mumbai-400 051 and up to date listing fees have been paid to the Stock Exchanges.

(vi) (a) **Stock Code :**

Bombay Stock Exchange Limited (BSE)	National Stock Exchange of India Ltd. (NSE)	
Equity 500378	Equity JINDALSAW	Debenture* 1. JSAW15 2. JSAW16 3. JSAW17 4. JSAW18 5. JSAW19 6. JSAW20 7. JSAW21 8. JSAW21A

*Debentures are listed in WDM segment of the NSE.

(b) ISIN :	Equity Share	-	INE324A01024			
ISIN :	Debenture					
	JSAW15	-	INE324A07054	JSAW19	-	INE324A07096
	JSAW16	-	INE324A07062	JSAW20	-	INE324A07104
	JSAW17	-	INE324A07070	JSAW21	-	INE324A07112
	JSAW18	-	INE324A07088	JSAW21A	-	INE324A07120

(vii) **Debenture Trustees:** Axis Trustees Services Limited, 2nd Floor - E, Axis House, Bombay Dyeing Mill Compound, Panduranga Budhkar Marg, Worli, Mumbai - 400 025

(viii) **Market Price Data : High, Low during each month in last financial year:**

The details of monthly highest and lowest quotations of the equity shares of the Company at Bombay Stock Exchange Ltd. and National Stock Exchange of India Limited during the period from 1st April, 2012 to 31st March, 2013 are as under:

Month	NATIONAL STOCK EXCHANGE		BOMBAY STOCK EXCHANGE	
	Highest Rate(₹)	Lowest Rate(₹)	Highest Rate(₹)	Lowest Rate(₹)
Apr-12	175.55	151.50	174.15	151.50
May-12	157.75	120.15	160.00	121.15
Jun-12	133.35	120.35	133.75	120.75
Jul-12	138.45	118.50	138.65	118.55
Aug-12	122.05	113.75	122.70	113.60
Sep-12	121.75	111.15	123.65	111.05
Oct-12	121.50	110.10	121.50	101.70
Nov-12	137.90	116.60	137.50	113.35
Dec-12	133.65	120.00	133.55	120.25
Jan-13	136.70	107.50	136.80	106.35
Feb-13	111.80	87.80	111.90	88.00
Mar-13	100.45	77.00	100.55	78.00

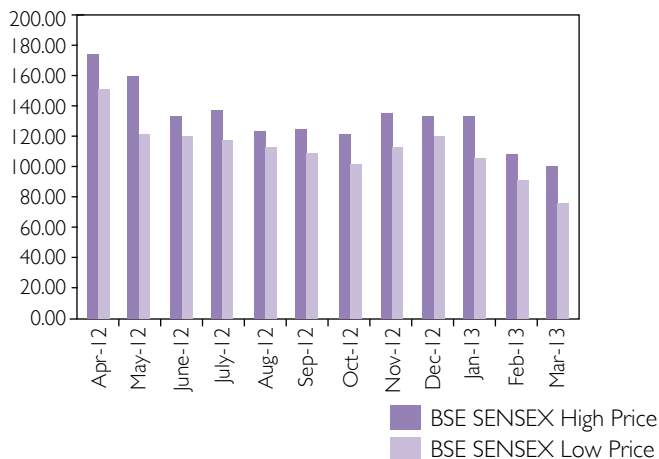
CORPORATE GOVERNANCE REPORT

(ix) Performance in comparison to broad based indices :

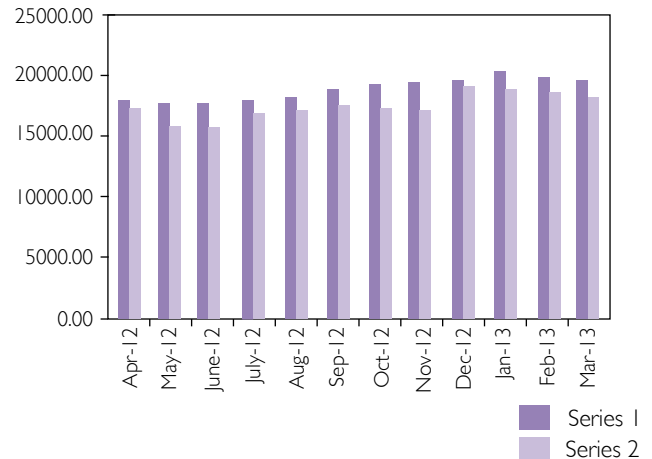
MARKET PRICE DATA

Month	BOMBAY STOCK EXCHANGE		BSE SENSEX	
	Highest Rate(₹)	Lowest Rate(₹)	High	Low
Apr-12	174.15	151.50	17664.10	17010.16
May-12	160.00	121.15	17432.33	15809.71
Jun-12	133.75	120.75	17448.48	15748.98
Jul-12	138.65	118.55	17631.19	16598.48
Aug-12	122.70	113.60	17972.54	17026.97
Sep-12	123.65	111.05	18869.94	17250.80
Oct-12	121.50	101.70	19137.29	18393.42
Nov-12	137.50	113.35	19372.70	18255.69
Dec-12	133.55	120.25	19612.18	19149.03
Jan-13	136.80	106.35	20203.66	19508.93
Feb-13	111.90	88.00	19966.69	18793.97
Mar-13	100.55	78.00	19754.66	18568.43

BSE PRICE



BSE SENSEX



(x) **Registrar and Transfer Agents** : RCMC Share Registry (P) Ltd. 1515, B-106, Sector-2, Noida (U.P.) Phone: - 0120-4015880
Fax: - 0120-4015839, e-mail: - rcmc@theoffice.net.

The Share Transfer Requests as well as other correspondence relating to shares of the Company are also accepted at our office at Jindal Centre, 12, Bhikaiji Cama Place, New Delhi - 110 066.

(xi) **Share Transfer System** :

Share transfers are registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects. The Committee of Directors meets regularly to approve the transfer of shares and to oversee other issues relating to shareholders.

CORPORATE GOVERNANCE REPORT

(xii) Distribution of Shareholding and Shareholding Pattern :

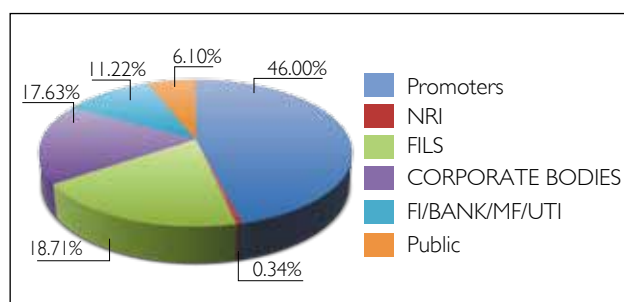
(a) The shareholding distribution of equity shares as on 31st March, 2013 is given below :-

Distribution of Holdings

Shareholding of value of Rs.	Shareholders		Share holdings		
	Number	% to total	Share	Amount	% to total
UP TO 5000	34167	96.14	10232019	20464038.00	3.70
5001 TO 10000	748	2.10	2805192	5610384.00	1.02
10001 TO 20000	319	0.90	2369731	4739462.00	0.86
20001 TO 30000	74	0.21	964502	1929004.00	0.35
30001 TO 40000	38	0.11	663513	1327026.00	0.24
40001 TO 50000	30	0.08	696047	1392094.00	0.25
50001 TO 100000	50	0.14	1761166	3522332.00	0.64
100001 and Above	113	0.32	256731351	513462702.00	92.94
** G Total	35539	100.00	276223521	552447042.00	100.00

(b) Shareholding Pattern as on 31st March, 2013:

Category	No. of Shares	% of Holding
Promoters	127049485	46.00
NRI	938985	0.34
FIs	51678284	18.71
Corporate Bodies	48701657	17.63
FI/Bank/Mf/ UTI	30986827	11.22
Public	16868283	6.10
Total	276223521	100.00



Dematerialization of shares and liquidity:

Number of shares in physical and demat form as on 31st March, 2013 are as follows:

	No. of shares	Percentage
In Physical Form	34659130	12.55
In Demat Form	241564391	87.45
Total	276223521	100.00

(xiv) Address for correspondence:

Jindal Saw Ltd.
Jindal Centre, 12, Bhikaiji Cama Place,
New Delhi – 110 066

Telephone no. : 26188360-74
Fax no. : 26170691/41659575
E-mail : investors@jindalsaw.com

(xiii) Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:

There are no outstanding options on un-issued share capital.

(xiii) Plant Locations:

The Plants of the Company are located at Kosi Kalan (Mathura, U.P.), Sinar (Nashik, Maharashtra), Mundra (Kutch, Gujarat), Bhilwara (Rajasthan) & Bellary (Karnataka).

DECLARATION FOR CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and Sr. Management Personnel have affirmed compliance of Code of Conduct as adopted by the Board for the year ended 31st March, 2013.

Place : New Delhi
Date : 27.05.2013

SMINU JINDAL
MANAGING DIRECTOR

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the members of
JINDAL SAW LIMITED

We have examined the compliance of condition of Corporate Governance Procedure implemented by JINDAL SAW LIMITED for the year ended 31st March, 2013 as stipulated in clause 49 of Listing Agreement of the said company with the Stock Exchange of India

The Compliance of the Corporate governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring Compliance with the condition of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanation given to us and based on the representation made by the Directors and the Management, We certify that the Company has complied with the condition of the Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement.

We further state that such Compliance is neither an assurance as to further viability of the Company nor the efficiency or effectiveness with which the Management has affairs of the Company

For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

N.C. AGGARWAL
Partner
M.No. 005951

Place : New Delhi
Dated : 27. 05. 2013

AUDITORS' REPORT

To
The Members of
JINDAL SAW LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of JINDAL SAW LIMITED which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Managements Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For & on behalf of
N.C.AGGARWAL & CO.
Chartered Accountants
Firm Registration No: 003273N

Place: New Delhi
Dated: 27th May, 2013

N.C. Aggarwal
Partner
M.No. 005951

AUDITORS' REPORT

ANNEXURE TO AUDITORS' REPORT (REFERRED TO IN PARAGRAPH (A) IN OUR REPORT OF EVEN DATE FOR THE YEAR ENDED 31ST MARCH, 2013)

1.
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - b) A major portion of the fixed assets has been physically verified by the Management in accordance with a phased programme of verification adopted by the Company. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. To the best of our knowledge, no material discrepancies have been noticed on such verification.
 - c) The Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.
2.
 - a) As explained to us, the management during the year has physically verified inventories at reasonable intervals and in respect of stores and spares, there is a perpetual inventory system and a substantial part of such stocks has been verified during the year. However, stocks in the possession and custody of third parties and stock in transit as at 31st March, 2013 have been verified by the Management with reference to confirmation or statement of account or correspondence of third parties or subsequent receipt of goods. In our opinion, the frequency of verification is reasonable
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventories. The discrepancies noticed during physical verification of inventories as compared to book records were not material and the same have been properly dealt with in the books of account.
3.
 - a)
 - (i) The Company has given interest bearing demand loan to three subsidiary companies and one other company, covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and year end balance in respect of the said three subsidiaries and one other party is ₹ 8658.33 Lacs and ₹ 7308.62 Lacs respectively. The Company has not given any other loan to any Company or party covered under section 301 of the Companies Act, 1956.
 - (ii) In our opinion and according to information and explanations given to us, the interest bearing demand loans with relevant terms and conditions on which loan has been given are, prima facie, not prejudicial to the interest of the Company.
- (iii) In respect of aforesaid loan, the amount, principal as well as interest accrued thereon for one subsidiary is long term in nature (as the holding company has given the undertakings to the banks that they will not withdraw the loan and interest accrued thereon until the repayment of dues of subsidiary. The loans for other three companies, the amount are repayable on demand and hence, the question of irregularity on payment does not arise.
 - (iv) The aforesaid loan of subsidiaries is repayable on demand and therefore, the question of overdue amount does not arise.
 - b) As informed to us, the Company has not taken any loans, secured or unsecured from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Thus Paragraph 4 (iii) (f) & (g) of the order, is not applicable.
4. In our opinion and according to information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventories, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls
5.
 - a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions with parties with whom transactions exceeding the value of ₹ five lacs have been entered into during the financial year are at prices, which are reasonable, having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
7. In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
8. We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of the company's products and are of the opinion that, prima facie, the prescribed records have been made and maintained.

AUDITORS' REPORT

We have, however, not made a detailed examination of records with a view to determine whether they are accurate or complete.

9. a) According to the information and explanations given to us, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Sales Tax, Income Tax, Custom duty, Investor Education & Protection fund, Excise Duty, Cess, Service Tax and Royalty. There are no arrears as at 31st March, 2013 for a period of more than six months from the date they become payable.
- b) According to the information and explanation given to us, the dues in respect of sales tax, excise, Service tax, entry tax, income tax and custom duty that have not been deposited with the appropriate authorities on account of dispute and the forum where the disputes are pending are given below:

Name of the Dues and Name of the Statute	Year to which the amount relates	Forum where matter is pending	Amount (₹ in lacs)
Custom Duty Customs Act, 1962	2009-10	CESTAT, Mumbai	12.50
Excise Duty Central Excise Act, 1944	2004-05 to 2007-08	Commissioner (Appeal) Ahmedabad	32.21
Excise Duty Central Excise Act, 1944	2007-08 & 2008-09	CESTAT, New Delhi	2.19
Excise Duty Central Excise Act, 1944	2007-08	CESTAT, New Delhi	6.23
Excise Duty Central Excise Act, 1944	2005-06	Commissioner (Appeal) Rajkot	58.97
Excise Duty Central Excise Act, 1944	2009-10	CESTAT, Mumbai	4.01
Sales Tax Gujrat Sales Tax Act	2002-03	Hon'ble High Court Ahmedabad	141.94
Entry Tax Rajasthan Entry Tax Act	2011-12 & 2012-13	Hon'ble Supreme Court, New Delhi	113.52
Service Tax Chapter V of Finance Act 1994	2004-05 & 2007-08	Commissioner (Appeal) Ahmedabad	57.81
Service Tax Chapter V of Finance Act 1994	2008-09	CESTAT, Mumbai	3.13
Income Tax Income Tax Act, 1961	2007-08 & 2008-09	Commissioner (Appeals), New Delhi	987.06
Land Tax Rajasthan Land Tax Act 2006	2010-11 & 2012-13	Deputy Inspector General of Registration and Stamps, Bhilwara (Rajasthan)	40.61

10. The Company has no accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.

11. According to the information and explanation given to us, the Company has not defaulted in repayment of dues to the banks and debenture holders.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provision of clause 4(xii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
13. In our opinion, the Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
15. In our opinion, and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantee for loans taken by others from banks, or financial institutions are not prima facie, prejudicial to the interest of the company.
16. In our opinion, and according to information and explanation given to us, the term loans have been applied for the purpose for which they were raised, other than temporary deployment pending application.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, in our opinion, there are no funds raised on short-term basis, which have been used for long-term investment.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. On the basis of records made available to us, the Company has created necessary security and charge in respect of debentures outstanding at the end of the year.
20. The Company has not raised any money through a public issue during the year.
21. During the course of our examination of the books and records of the Company, and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For & on behalf of
N.C.AGGARWAL & CO.
Chartered Accountants
Firm Registration No: 003273N

Place: New Delhi
Dated: 27th May, 2013

N.C.Aggarwal
Partner
M.No. 005951

FINANCIAL STATEMENTS

BALANCE SHEET AS AT 31ST MARCH, 2013

PARTICULARS	Note No.	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	5,524.58	5,524.58
(b) Reserves and Surplus	2	367,337.54	349,766.93
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	3	148,073.85	96,867.37
(b) Deferred Tax Liabilities (Net)	4	17,476.59	10,251.59
(c) Other Long Term Liabilities	5	5.25	7.74
(d) Long Term Provisions	6	3,133.30	2,889.72
(3) Current Liabilities			
(a) Short-Term Borrowings	7	176,250.93	151,668.47
(b) Trade Payables	8	46,876.30	43,688.85
(c) Other Current Liabilities	9	48,497.42	93,509.30
(d) Short-Term Provisions	10	3,843.84	3,826.52
Total		817,019.60	758,001.07
II. ASSETS			
(1) Non - Current Assets			
(a) Fixed Assets	11		
(i) Tangible Assets		254,783.20	202,918.21
(ii) Intangible Assets		839.94	841.65
(iii) Capital Work-in-Progress		101,120.46	69,140.80
(b) Non Current Investments	12	75,652.82	69,896.54
(c) Long Term Loans and Advances	13	22,891.26	26,028.84
(2) Current Assets			
(a) Current Investments	14	7,000.00	-
(b) Inventories	15	147,110.52	180,350.25
(c) Trade Receivables	16	123,857.01	128,962.17
(d) Cash and Bank Balances	17	6,292.68	17,221.58
(e) Short Term Loans and Advances	18	77,277.67	62,501.80
(f) Other Current Assets	19	194.04	139.23
Total		817,019.60	758,001.07
Significant Accounting Policies and Notes to the Financial Statements	28-54		

As per our report of even date attached

For **N.C.AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

H.S.CHAUDHARY
Wholetime Director

SMINU JINDAL
Managing Director

N.C.Aggarwal
PARTNER
M.No. 005951
PLACE : NEW DELHI
DATED : 27th May 2013

SUNIL JAIN
Company Secretary

N.K.AGARWAL
Vice President
(Corp. Accounts & Taxation)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Note No.	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
I. Gross Revenue from Operations	20	576,002.90	537,996.44
Less: Excise Duty		14,333.06	18,206.13
Net Revenue from Operations		561,669.84	519,790.31
II. Other Income	21	8,240.56	9,333.11
III. Total Revenue (I +II)		569,910.40	529,123.42
IV. Expenses			
Cost of Materials Consumed	22	357,669.35	389,060.67
Purchase of Stock-in-Trade	23	2,137.93	3,185.95
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	23,080.49	(46,878.00)
Employee Benefit Expenses	25	25,226.08	23,746.16
Finance Costs	26	15,007.79	11,392.89
Depreciation and Amortisation		15,495.19	14,965.79
Other Expenses	27	93,276.97	87,272.54
Total Expenses		531,893.80	482,746.00
V. Profit before exceptional and extraordinary items and tax (III - IV)		38,016.60	46,377.42
VI. Exceptional Items (Refer note no. 34)		11,424.20	14,080.60
VII. Profit before extraordinary items and tax (V - VI)		26,592.40	32,296.82
VIII. Extraordinary Items		-	-
IX. Profit before Tax (VII - VIII)		26,592.40	32,296.82
X. Tax expense			
(1) Current Tax		5,250.00	6,500.00
(2) Deferred Tax		7,225.00	9,628.00
(3) MAT Credit Entitlement		(5,224.00)	(6,250.00)
		7,251.00	9,878.00
XI. Profit for the year after taxation (IX-X)		19,341.40	22,418.82
XII. Earning per equity share of face value of ₹ 2/- each.			
(1) Basic		6.98	8.12
(2) Diluted		6.98	8.12
Significant Accounting Policies and Notes to the Financial Statements	28-54		

As per our report of even date attached

For **N.C.AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

H.S.CHAUDHARY
Wholetime Director

SMINU JINDAL
Managing Director

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PARTNER
M.No. 005951
PLACE : NEW DELHI
DATED : 27th May 2013

SUNIL JAIN
Company Secretary

N.K.AGARWAL
Vice President
(Corp. Accounts & Taxation)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
A. CASH INFLOW/(OUTFLOW) FROM THE OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	38,016.60	46,377.42
Adjustments for		
Add/(Less)		
Depreciation	15,495.19	14,965.79
Dividend Income	-	(0.17)
Interest Paid	12,398.27	8,129.23
Loss on sale of Fixed Assets	24.05	754.92
Provision for Doubtful Debts Written Back	(523.59)	(1,087.95)
Liquidated Damages/ Bad Debts	386.25	1,686.43
Provision for Doubtful Debts	35.51	-
Profit on Sale of Investments	(14.72)	(91.50)
Effect of Foreign Currency Translation Reserve	(5.12)	13.28
Interest Received	(3,068.95)	24,726.89
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	62,743.49	21,166.17
Adjustments for		
Inventories	33,239.73	(15,529.96)
Trade Receivables	2,010.09	(1,436.56)
Loans and Advances and other Assets	(5,409.21)	(32,200.64)
Trade and Other Payables	(42,130.52)	(12,289.91)
CASH GENERATED FROM OPERATIONS BEFORE EXCEPTIONAL ITEMS	50,453.58	(68,447.81)
Exceptional Items	(11,424.20)	(904.22)
Effect of Unrealised Foreign Exchange (Gain)/Loss	1,760.61	(14,080.60)
Tax Paid	(9,526.36)	(3,987.53)
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	31,263.63	(18,068.13)
B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES		(20,673.34)
(Increase)/Decrease in Investment	(6,985.28)	(2,459.51)
(Increase)/Decrease in Investment in Subsidiaries	(5,756.28)	(4,473.59)
Capital expenditure	(86,971.83)	(53,491.75)
Sale proceeds of fixed assets	88.67	165.18
Loan to Subsidiaries (net of Repayments)	911.37	17,725.47
Inter-Corporate loans (net of Repayments)	285.49	3,196.74
Interest Received	1,749.91	3,263.77
Dividend Received	-	0.17
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	(96,677.95)	(36,073.52)
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		
Dividend paid including dividend distribution tax	(3,183.20)	(3,182.36)
Interest paid	(16,124.63)	(16,769.02)
Increase/(Decrease) in Short Term Borrowings	26,050.82	34,756.83
Increase/(Decrease) in Long Term Borrowings	49,167.90	49,436.02
Increase/(Decrease) in fixed deposits	(1,431.14)	339.43
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	54,479.75	64,580.90
NET CHANGES IN CASH AND CASH EQUIVALENT	(10,934.57)	7,834.04
Cash and cash equivalents at beginning of the year	17,221.58	9,324.91
Exchange difference on translation of Foreign Currency cash and cash equivalent	5.67	62.63
Cash and cash equivalents at end of the year	6,292.68	17,221.58

NOTE:

1. Increase/(decrease) in long term and short term borrowings are shown net of repayments.

2. Cash and Cash equivalent (at end of the year) includes other Bank Balance of ₹ 1816.76 Lacs (Previous Year of ₹ 6731.13 Lacs)

3. Previous year's figures have been regrouped wherever necessary.

As per our report of even date attached

For **N.C.AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

N.C.Aggarwal
PARTNER

M.No. 00595 I

PLACE : NEW DELHI

DATED : 27th May 2013

H.S.CHAUDHARY
Wholetime Director

SUNIL JAIN
Company Secretary

SMINU JINDAL
Managing Director

N.K.AGARWAL
Vice President
(Corp. Accounts & Taxation)

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)		
I. SHARE CAPITAL				
Authorised				
(i) 500,000,000 Equity Shares of ₹ 2/- each	10,000.00	10,000.00		
(ii) 10,000,000 Redeemable Non Convertible Cumulative Preference shares of ₹ 100/- each	10,000.00	10,000.00		
	20,000.00	20,000.00		
Issued				
276,230,771 Equity Shares of ₹ 2/- each	5,524.62	5,524.62		
	5,524.62	5,524.62		
Subscribed and Fully Paid-Up				
276,226,771 Equity Shares of ₹ 2/- each	5,524.54	5,524.54		
Add: Forfeited 4,000 Equity Shares of ₹ 2/- each (Partly paid up ₹ 1/- each)	0.04	0.04		
Total Share Capital	5,524.58	5,524.58		
(a) Reconciliation of the number of shares:				
Equity Shares				
Shares outstanding as at the beginning of the year	276,226,771	276,226,771		
Shares outstanding as at the end of the year	276,226,771	276,226,771		
(b) Details of shareholders holding more than 5% shares in the company:				
Name of Shareholders	No. of shares	% of holding as at 31.3.2013	No. of shares	% of holding as at 31.3.2012
Nalwa Sons Investments Limited	53550000	19.39	53550000	19.39
Sigmatech Inc	30120000	10.90	30120000	10.90
Reliance Capital Trustee Company Limited A/c Reliance Growth Fund	15701387	5.68	14845487	5.37
Morgan Stanley Asia (Singapore) PTE	14842975	5.37	-	-
Total	114214362	41.34	98515487	35.66
(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date.	NIL		NIL	
(d) 3,250 Equity Shares have been held in abeyance as a result of attachment orders by Govt. authorities, lost shares certificates and other disputes.				
(e) Terms/Rights attached to Equity Shares The Company has only one class of equity shares having a par value of ₹ 2/- per equity share. Each equity shareholder is entitled to one vote per share.				

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
2. RESERVES AND SURPLUS		
a) Capital Reserve		
Balance as per last financial statements	2,990.71	3,605.68
Add: During the year -refer note no.33	1,538.06	1,523.93
Less: Pursuant to scheme of arrangement and demerger -(Refer note no.31)	-	2,138.90
Closing Balance	4,528.77	2,990.71
b) Capital Redemption Reserve		
Balance as per last financial statements	11,500.00	11,500.00
Closing Balance	11,500.00	11,500.00
c) General Reserve		
Balance as per last financial statements	259,162.65	290,055.46
Add: Transfer during the year from Surplus in Profit and Loss account	10,000.00	15,000.00
Less: Deduction/ transfer during the year	-	45,892.81
Closing Balance	269,162.65	259,162.65
d) Debenture Redemption Reserve		
Balance as per last financial statements	1,960.00	-
Add: Transfer during the year from Surplus in Profit and Loss account	3,152.00	1,960.00
Closing Balance	5,112.00	1,960.00
e) Securities Premium Account		
Balance as per last financial statements	56,821.26	76,518.30
Less: Pursuant to scheme of arrangement and demerger -(Refer note no.31)	-	19,697.04
Closing Balance	56,821.26	56,821.26
f) Revaluation Reserve		
Balance as per last financial statements	453.50	472.41
Less: Transfer during the year -(Refer note no.11.D)	18.91	18.91
Closing Balance	434.59	453.50
g) Surplus in Profit and Loss Account		
Balance as per last financial statements	16,878.81	14,442.31
Add: Profit after tax transferred from Statement of Profit and Loss	19,341.40	22,418.82
Add: Foreign Exchange Translation Difference	(5.12)	(13.28)
Add: Previous year Taxation Adjustment	(53.10)	201.34
Less: Appropriations		
- Proposed dividend on Equity Shares	2,762.27	2,762.27
- Corporate tax on above	469.45	448.11
- Transfer to General Reserve	10,000.00	15,000.00
- Transfer to Debenture Redemption Reserve	3,152.00	1,960.00
Balance in Profit and Loss Account Carried Forward	19,778.27	16,878.81
Total Reserves and Surplus	367,337.54	349,766.93

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
NON CURRENT LIABILITIES		
3. LONG-TERM BORROWINGS		
a) Secured		
i) Non Convertible Debentures	70,000.00	30,000.00
ii) Term Loans		
- Term Loans from Banks	23,551.67	13,700.00
Secured Long Term borrowings	93,551.67	43,700.00

Non convertible Debentures include :

- (i) 10.75% Non Convertible Debentures of ₹ 30,000 lacs (Previous Year ₹ 30,000 lacs) are secured by first pari passu charge by way of English mortgage on the Company's specific immovable properties located in the state of Gujarat and by way of equitable mortgage of Company's other immovable properties and hypothecation of moveable fixed assets both present and future in favour of Debenture Trustees. The same are repayable in three equal installments of ₹ 10,000 lacs each on April 08, 2015, April 08, 2016 and April 08, 2017
- (ii) 10.50% Non Convertible Debentures of ₹ 10,000 lacs (Previous Year Nil) in three series are secured by first pari passu charge by way of English mortgage on the Company's specific immovable properties located in the state of Gujarat and by way of equitable mortgage of Company's other immovable properties and hypothecation of moveable fixed assets both present and future in favour of Debenture Trustees. The same are repayable in three installments of ₹ 3,000 lacs (Series I), ₹ 3,000 lacs (Series II) and ₹ 4000 lacs (Series III) on September 12, 2018, September 12, 2019 and September 12, 2020 respectively. There is a call option exercisable at the end of three years from the date of allotment (September 12, 2012) for all series of NCDs. The Call option is also available in every subsequent year for each series of NCD individually i.e. at the end of 4th, 5th, 6th and 7th year from the date of allotment upto their respective dates of maturity.
- (iii) 10.38% Non Convertible Debentures of ₹ 30,000 lacs (Previous Year Nil) in two series are secured by first pari passu charge by way of English mortgage on the Company's specific immovable properties located in the state of Gujarat and by way of equitable mortgage of Company's other immovable properties and hypothecation of moveable fixed assets both present and future in favour of Debenture Trustees. The same are repayable in single installment of ₹ 30,000 lacs on December 26, 2021. There is a put/call option for ₹ 15,000 lacs (Series I) at the end of third year (December 26, 2015) and for ₹ 15000 lacs (Series 2) at the end of Fourth year (December 26, 2016) from the date of allotment i.e. December 26, 2012

Term Loans from Banks include :

- i) Term Loan of ₹ 13,700 lacs (rate of interest 1.50% p.a.) (Previous Year ₹ 13,700 lacs) is secured by way of second charge on all the assets of the Company both present and future and also by way of personal guarantee of Director. The same is repayable in three installments of ₹ 4,110 lacs, ₹ 4110 lacs and ₹ 5480 lacs on Jan 31, 2017, Jan 31, 2018 and Jan 31, 2019 respectively.
- ii) Term Loan of ₹ 5,000 lacs (rate of interest 10.75% p.a.) (Previous Year Nil) is secured by way of second charge on all the assets of the Company, both present and future and also by way of personal guarantee of a Director. The repayment is by way of a bullet payment of ₹ 5,000 lacs on May 23, 2017.
- iii) Term Loan of USD 8904719.50 (₹ 4843.21 lacs) (rate of interest 6 M Libor+400 bps p.a.) (Previous Year Nil) is secured by way of second charge on all the assets of the Company both present and future and also by way of personal guarantee of a Director. The repayment is by way of a bullet payment of USD 8904719.50 (₹ 4843.21 lacs) on May 23, 2017.

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
iv) Term Loan includes Vehicle Loans of ₹ 8.46 lacs (Previous Year-nil) is secured by way of hypothecation of Vehicles, which carries rate of interest ranging from 10.50% to 11.00% p.a. The same are repayable as under:		
Year of Repayment	₹ in Lacs	
2014-15	4.83	
2015-16	3.63	
Total outstanding balance	8.46	
v) There is no default in repayment of principal and interest thereon.		
b) Unsecured		
i) External Commercial Borrowing from Banks	50,048.13	47,073.36
ii) Deferred Sales Tax Loans	3,550.08	4,342.48
iii) Deposits from Public	923.97	1,751.53
Unsecured Long Term Borrowings	54,522.18	53,167.37
Total Long Term Borrowings	148,073.85	96,867.37
1. Deferred Sales tax Loans amounting to ₹ 655.29 lacs (previous year ₹ 982.92 lacs) are guaranteed by one of the Directors. Repayment schedule of Deferred Sales Tax Loans is set out below:		
Year of Repayment	₹ in Lacs	
March, 2015	768.21	
March, 2016	463.73	
March, 2017	92.12	
March, 2018	344.02	
March, 2019	474.63	
March, 2020	471.41	
March, 2021	417.94	
March, 2022	385.20	
March, 2023	132.82	
Total outstanding balance	3,550.08	
2. Deposits from public includes deposits from related parties ₹ 279.37 lacs (Previous Year ₹ 134.90 lacs).		
3. Terms of repayment of Unsecured Term Loans -		
i) External Commercial Borrowing of USD 73,018,334 (₹ 39714.16 lacs) (Previous Year USD 73,018,334- ₹ 37,353.62 lacs) is repayable in three installments of USD 24,096,050 (₹ 13,105.67 lacs), USD 24,096,050 (₹ 13,105.67 lacs) and USD 24,826,234 (₹ 13502.82 lacs) on June 30, 2015, June 30, 2016 and June 30, 2017, respectively. Rate of Interest is 6 months USD LIBOR plus 2.55% p.a.		
ii) External Commercial Borrowings of USD 19,000,000 (₹ 10,333.97 lacs) (Previous Year USD 19,000,000- ₹ 9,719.74 lacs) is repayable in three installments of USD 5,700,000 (₹ 3,100.19 lacs), USD 5,700,000 (₹ 3,100.19 lacs) and USD 7,600,000 (₹ 4,133.59 lacs) on Nov 27, 2015, Nov 27, 2016 and Nov 27, 2017, respectively. Rate of Interest is 6 months USD LIBOR plus 2.30% p.a.		
4. Deposits from public are repayable between one to three years.		
5. There is no default in repayment of Principal loans and interest.		

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
4. DEFERRED TAX LIABILITIES (NET)		
A. LIABILITY		
Difference between book and tax depreciation	28,526.91	25,023.22
Total Deferred Tax Liabilities	28,526.91	25,023.22
B. ASSETS		
(i) Disallowance under Income Tax Act	723.17	1,047.76
(ii) Carried Forward losses	10,327.15	13,723.87
Total Deferred Tax Assets	11,050.32	14,771.63
Total Deferred Tax Liabilities (Net) (A-B)	17,476.59	10,251.59
Net (increase)/decrease in Deferred Tax Liabilities represented by :		
Deferred Tax Assets on transitional provision under AS 30	-	22,041.19
Deferred Tax Liability provided during the year in Profit and loss account	7,225.00	9,628.00
Net (increase)/decrease in Deferred Tax Liabilities	7,225.00	12,413.19
5. OTHER LONG TERM LIABILITIES		
Security Deposits and Advances	5.25	7.74
Total Other Long Term Liabilities	5.25	7.74
6. LONG-TERM PROVISIONS		
Provision for Employee benefits		
Provision for Gratuity	1,224.32	999.22
Provision for Leave Encashment	1,908.98	1,890.50
Total Long term Provisions	3,133.30	2,889.72
CURRENT LIABILITIES		
7. SHORT-TERM BORROWINGS		
a) Secured		
From banks		
Working Capital borrowings	60,775.53	47,134.62
Buyers' credit	75,197.36	43,615.54
Secured Short Term Borrowings	135,972.89	90,750.16
b) Unsecured		
i) From Banks		
Short Term loan	21,755.72	20,974.17
Buyers' credit	18,514.95	39,930.10
ii) Deposits from Public	7.37	14.04
Unsecured Short Term Borrowings	40,278.04	60,918.31
Total Short Term Borrowings	176,250.93	151,668.47

Above short term borrowings of ₹126,454.76 lacs are secured by hypothecation of finished goods, raw materials, work-in-progress, stores and spares, book debts and second pari passu charge in respect of other moveable and immoveable properties of the Company and ₹ 9,518.13 lacs is secured by second charge pari passu on current assets of the Company.

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
8. TRADE PAYABLES		
Trade Payables (including acceptances)	46,833.05	43,655.65
Micro and Small Enterprises (For details of dues to micro and small enterprises -refer note no.32)	43.25	33.20
Total Trade Payables	46,876.30	43,688.85
9. OTHER CURRENT LIABILITIES		
a) Current Maturities of Long Term debts	2,524.61	3,137.11
b) Interest Accrued but not due	2,269.91	1,194.36
c) Advance From Customers and Others	14,017.15	37,937.61
d) Unpaid Dividend	303.25	276.07
e) Capital Creditors	6,554.12	428.64
f) Other Payables		
Statutory Dues	1,734.77	1,549.31
Dues to Employees	2,448.01	1,979.36
Other liabilities	18,645.60	47,006.84
Total Other Current Liabilities	48,497.42	93,509.30
10. SHORT TERM PROVISIONS		
a) Provision for Employee benefits		
Provision for Gratuity	113.65	143.54
Provision for Leave Encashment	498.47	472.60
	612.12	616.14
b) Other Provisions		
Proposed Dividend on Equity Shares	2,762.27	2,762.27
Corporate tax on proposed dividend	469.45	448.11
	3,231.72	3,210.38
Total Short Term Provisions	3,843.84	3,826.52

NOTES TO FINANCIAL STATEMENTS

II. FIXED ASSETS

(₹ in lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2012	Additions	Deduction/ Adjustment	As at 31.03.2013	Upto 31.03.2012	During the Year	Deduction/ Adjustment	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Tangible Assets (A)										
Free Hold Land	4,154.41	1,242.10	0.40	5,396.11	-	-	-	-	5,396.11	4,154.41
Lease Hold Land	667.53	-	-	667.53	125.44	7.01	-	132.45	535.08	542.09
Building	36,828.12	13,048.80	-	49,876.92	4,958.39	1,162.87	-	6,121.26	43,755.66	31,869.73
Plant and Equipment	235,464.50	51,924.09	206.27	287,182.32	72,593.75	13,620.12	115.80	86,098.07	201,084.25	162,870.75
Furniture and Fixtures	1,556.13	377.18	-	1,933.31	576.80	131.26	-	708.06	1,225.25	979.33
Mine Development	748.46	-	-	748.46	112.27	149.69	-	261.96	486.50	636.19
Vehicles	1,927.79	181.29	104.20	2,004.88	757.15	179.47	58.15	878.47	1,126.41	1,170.64
Office Equipment	983.97	540.54	(44.61)	1,569.12	288.90	85.82	(20.46)	395.18	1,173.94	695.07
Total (A)	282,330.91	67,314.00	266.26	349,378.65	79,412.70	15,336.24	153.49	94,595.45	254,783.20	202,918.21
Intangible Assets (B)										
Computer Software	1,083.18	5.19	(0.11)	1,088.48	241.53	212.75	(0.06)	454.34	634.14	841.65
Mining Properties (Stripping Cost)	-	217.19	-	217.19	-	11.39	-	11.39	205.80	-
Total (B)	1,083.18	222.38	(0.11)	1,305.67	241.53	224.14	(0.06)	465.73	839.94	841.65
G TOTAL (A+B)	283,414.09	67,536.38	266.15	350,684.32	79,654.23	15,560.38	153.43	95,061.18	255,623.14	203,759.86
Previous Year	257,755.55	27,132.18	1,473.64	283,414.09	65,203.74	15,004.03	553.54	79,654.23	203,759.86	

NOTE

- A) Gross Block includes the following amount on account of revaluation made on 31.03.1996 of Pipe Division at Kosi Kalan at Net Current Residual Replacement Value.

₹ in lacs

Land	
Freehold	7.38
Leashold	143.59
Building	548.34
Plant & Machinery	3916.96

- B) Free hold Lands includes ₹ 1800 lacs, conveyance deed for which is yet to be executed
- C) Depreciation during the year includes Depreciation Capitalised during Pre-operative stage amounting to ₹ 46.28 lacs (Previous period ₹ 19.33 lacs)
- D) Depreciation during the year includes Depreciation of ₹ 18.91 lacs (Previous year ₹ 18.91 lacs) on account of revaluation of fixed assets and an equivalent amount has been withdrawn from revaluation reserve and credited to Depreciation for the year.

NOTES TO FINANCIAL STATEMENTS

12. NON CURRENT INVESTMENTS

PARTICULARS	As at 31st March, 2013			As at 31st March, 2012		
	No. of Shares /Certificate	Face Value (₹)	Amount (₹ in lacs)	No. of Shares /Certificates	Face Value (₹)	Amount (₹ in lacs)
LONG TERM - NON TRADE (AT COST)						
A. Investment in Equity Shares of Subsidiary Companies Unquoted						
a) IUP Jindal Metals & Alloys Ltd.	11,300,000	10	4,531.80	11,300,000	10	4,531.80
b) Jindal ITF Ltd.#	156,359,113	10	46,897.71	156,359,113	10	46,897.71
c) Jindal Saw Holdings FZE	1,000	*	11,817.23	1,000	*	8,478.51
d) S.V.Trading Ltd.	2	**	938.93	2	**	938.93
e) Jindal Fittings Ltd.	4,606,320	10	460.63	25,500	10	2.55
f) Quality Iron & Steel Ltd.	25,500	10	2.55	25,500	10	2.55
g) Greenray Holdings Ltd.	137,700	***	258.39	137,700	***	258.39
h) Ralael Holdings Ltd.	2,000	****	5,288.24	1,000	****	1.32
i) Jindal Saw Espana SL.	360,000	*****	253.58	-	-	-
j) Universal Tube Accessories Pvt. Ltd.	1,106,020	10	110.60	-	-	-
			70,559.66			61,111.76
B. Investment in Equity Shares Unquoted						
a) Jindal Overseas Pte.Ltd.(Singapore)	153,000	*****	31.40	153,000	*****	31.40
			31.40			31.40
C. Government and Other Securities Unquoted						
a) National Saving Certificates	11	10,000	1.10	11	10,000	1.10
			1.10			1.10
D. Share Application Money Subsidiary Companies						
a) Jindal ITF Ltd.			5,000.00			5,000.00
b) Jindal Saw Holdings FZE			22.07			60.94
c) Jindal Fittings Ltd.			23.42			91.50
d) Ralael Holdings Ltd.			15.17			3,599.84
			5,060.66			8,752.28
Total			75,652.82			69,896.54

Aggregate value of unquoted investment.

75,652.82

69,896.54

* Face Value of 1 Share @ AED 90500 each (previous year 1 share @ AED 68000 each).

** Face Value of 1 Share @ US\$ 1 each and another Face Value of 1 Share @ US\$ 1950000 each.

*** Face Value of 1 Share @ 1GBP each .

**** Face Value of 1 Share @ 1Euro each.

***** Face Value of 1 Share @ 1Euro each .

***** Face Value of 1 Share @ 1US\$ each .

57271598 Equity Shares have been pledged in favour of lenders for loans availed by subsidiary companies and Non disposal undertaking for 79743148 Equity Shares given to Bank against credit facility/financial assistance availed by subsidiaries.

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
13. LONG TERM LOANS AND ADVANCES		
a) Capital Advance		
- Unsecured, considered good	4,325.91	9,222.01
b) Security Deposits		
- Unsecured, considered good	3,396.85	3,257.57
c) Loans and Advances to Related Parties		
- Unsecured, considered good IUP Jindal Metals & Alloys Ltd.	5,728.31	6,047.92
d) Other Loans and Advances *		
- Unsecured, considered good	9,440.19	7,501.34
Total Long Term Loans and Advances	22,891.26	26,028.84
* Other Loans and Advances includes :		
Inter-corporate Loans	9,431.37	7,485.50

CURRENT ASSETS	As at 31st March, 2013		As at 31st March, 2012	
	No of Units	Amount (₹ in lacs)	No of Units	Amount (₹ in lacs)
14 CURRENT INVESTMENTS				
SHORT TERM INVESTMENTS				
Investments in Mutual Funds - Fully paid-up (Unquoted)				
i) Union KBC Liquid fund- Direct Growth	42,591	500.00		-
ii) L&T Ultra Short Term Fund Direct Plan Growth	2,637,186	500.00		-
iii) Baroda Pioneer Liquid Fund -Plan B - Growth	37,227	500.00		-
iv) Canara Robeco Liquid Fund - Direct Growth	35,086	500.00		-
v) HDFC Liquid Fund- Direct Plan - Growth Option	2,163,837	500.00		-
vi) BOI AXA Liquid Fund- Super Institutional Plan- Growth	37,067	500.00		-
vii) Templeton India Treasury Management Acct.- Direct Plan Growth	28,667	500.00		-
viii) Taurus liquid fund-Direct plan -super institutional Growth	79,086	1,000.00		-
ix) India Bulls Liquid Fund - Direct Plan Growth	87,724	1,000.00		-
x) Reliance Liquid Fund - Treasury Plan - Growth	52,542	1,500.00		-
Total		7,000.00		-
Aggregate value of unquoted investments.		7,000.00		-

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
15. INVENTORIES		
a) Raw Materials		
Inventories-Raw Materials	52,612.78	71,195.06
Materials in Transit	8,458.05	261.51
	<u>61,070.83</u>	<u>71,456.57</u>
b) Work-in-progress		
Closing Work-in-progress	19,115.51	47,269.13
c) Finished Goods		
Inventories-Finished Goods	43,191.02	41,216.21
d) Inventories- Stores and Spares		
Inventories- Stores and Spares	16,984.49	16,676.53
Goods in Transit-Stores Material	22.75	180.63
	<u>17,007.24</u>	<u>16,857.16</u>
e) Loose Tools		
Loose Tools	683.58	726.20
f) Others		
Scrap	6,042.34	2,824.98
Total Inventories	<u>147,110.52</u>	<u>180,350.25</u>
16. TRADE RECEIVABLES		
Unsecured		
Exceeding Six Months		
Considered Good	49,598.34	46,783.84
Considered Doubtful	688.95	1,177.03
Less: Provision for doubtful debts	(688.95)	(1,177.03)
Others		
Considered Good	74,258.67	82,178.33
Total Trade Receivables	<u>123,857.01</u>	<u>128,962.17</u>

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
17. CASH AND BANK BALANCES		
a) Cash and Cash Equivalents		
Cheques In hand	1,000.00	7,347.42
Cash-on-hand	79.71	146.38
Balances with Banks		
On current accounts	3,378.37	2,628.85
Fixed Deposits (with original maturity of less than three months)#	17.84	367.80
b) Other Bank Balances		
On Unpaid Dividend Accounts	303.08	275.91
Fixed Deposits (with original maturity of three months or more)*#	1,513.68	6,455.22
Total Cash and Bank balances	6,292.68	17,221.58

*This includes Fixed Deposits maturing after 12 Months ₹ 1257.35 lacs (Previous year ₹1220.53 lacs)

#This includes ₹ 1,304.67 lacs (previous year ₹ 1,317.12 lacs) pledged with banks/government departments etc.

18. SHORT TERM LOANS AND ADVANCES		
a) Loans and advances to related party*		
- Unsecured, considered good	1,580.31	2,104.79
b) Loans and Advances recoverable in cash or kind**		
- Unsecured, considered good	50,465.18	40,850.82
c) Other loans and advances		
- Unsecured, considered good		
Advance taxation (net of provision)#	12,841.80	3,394.54
Advances to vendors	11,977.59	15,774.28
Loans to Employees	171.44	102.80
Balances with Central Excise/Port authorities	241.35	274.57
	25,232.18	19,546.19
Total Short Term Loans and Advances	77,277.67	62,501.80
* Loans and advances to related party includes:		
S.V. Trading Limited	1,319.57	1,375.17
Ralael Holdings Limited	83.24	729.62
Hexa Tradex Limited	177.50	-
	1,580.31	2,104.79

**Includes sales tax receivables, cenvat credit receivable etc.

Advance taxation includes MAT Credit Entitlement.

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
19. OTHER CURRENT ASSETS		
Interest Accrued on Fixed Deposits	194.04	139.23
Total Other Current Assets	194.04	139.23
	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
20. GROSS REVENUE FROM OPERATIONS		
a) Sale of products		
Finished goods	564,412.13	502,303.88
	564,412.13	502,303.88
b) Sale of Services		
Job Work Charges	2,168.25	27,311.41
	2,168.25	27,311.41
c) Other Operating revenues		
Income from Sale of Carbon Credit	130.72	447.88
Other Income	253.47	269.98
Export/ Other government Incentives	9,038.33	7,663.29
Other Operating revenues	9,422.52	8,381.15
Total Gross Revenue from operations	576,002.90	537,996.44
21. OTHER INCOME		
a) Interest Income	3,068.95	3,203.86
b) Dividend Income on Current Investments	-	0.17
c) Net Gain/(Loss) on Sale of Current Investments	14.72	91.50
d) Other Non Operating Income	3,406.79	3,167.76
e) Provision for Doubtful Debts written back	523.59	1,087.95
f) Profit on Sale of Fixed Assets	26.58	26.20
g) Bad Debts Recovered	1,199.93	1,755.67
Total Other Income	8,240.56	9,333.11
22. COST OF MATERIALS CONSUMED		
Raw Material Consumed (Refer note no.52-A)	357,669.35	389,060.67
Total Cost of Material Consumed	357,669.35	389,060.67
23. PURCHASE OF STOCK-IN-TRADE	2,137.93	3,185.95

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock		
- Finished Goods	41,216.21	21,448.56
- Scrap	2,824.98	1,942.24
- Work in Progress	47,269.13	20,658.49
	91,310.32	44,049.29
Closing Stock		
- Finished Goods	43,191.02	41,216.21
- Scrap	6,042.34	2,824.98
- Work in Progress	19,115.51	47,269.13
	68,348.87	91,310.32
NET (INCREASE)/DECREASE IN STOCK	22,961.45	(47,261.03)
Excise duty on account of increase/(decrease) on stock of finished goods	119.04	383.03
Total (Increase)/Decrease in Stock	23,080.49	(46,878.00)
25. EMPLOYEE BENEFIT EXPENSES		
a) Salary and Wages	22,231.89	21,101.02
b) Contribution to Provident and other funds	1,626.86	1,551.62
c) Workmen and Staff Welfare	1,367.33	1,093.52
Total Employee Benefit Expenses	25,226.08	23,746.16
26. FINANCE COSTS		
Interest Expense		
Interest on Fixed Deposits	345.05	429.65
Interest on Debentures	1,358.09	571.33
Interest on Term loans	1,685.63	1,494.74
Interest on Bank Borrowings	8,914.08	5,491.50
Bank and Finance charges	2,609.52	3,263.66
Other Interest	95.42	142.01
Total Finance Costs	15,007.79	11,392.89

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
27. OTHER EXPENSES		
Manufacturing Expenses		
Stores and Spares Consumed	16,650.48	17,790.11
Power and Fuel	22,475.00	23,302.80
Other Manufacturing Expenses	10,059.44	9,244.71
Repairs to Buildings	146.21	172.57
Repairs to Plant and Machinery	1,226.34	1,268.14
Administrative, Selling and Other Expenses		
Rent	298.92	292.51
Rates and Taxes	88.90	121.67
Insurance	474.23	519.61
Other Repair and Maintenance	899.15	771.30
Travelling and Conveyance	1,513.99	1,521.82
Vehicle Upkeep and Maintenance	135.44	98.24
Postage, Telegrams and Telephones	272.97	288.55
Legal and Professional Fees	790.42	1,317.21
Directors' Meeting Fees	11.80	8.60
Charity and Donation	159.24	130.76
Auditors' Remuneration	31.54	28.56
Cost Auditors' Remuneration	9.17	9.02
Commission on Sales	5,336.38	4,169.46
Advertisement	149.68	149.22
Forwarding Charges (net)*	22,175.60	14,226.64
Other Selling Expenses	7,893.09	7,888.03
Liquidated Damages/Bad Debts	386.25	1,686.43
Provision for doubtful debts	35.51	-
Loss on Sale/Discard of Fixed Assets	50.63	781.12
Miscellaneous Expenses	2,006.59	1,485.46
Total Other Expenses	93,276.97	87,272.54

*Net of recoveries ₹ 9012.67 lacs (previous year ₹ 9856.67 lacs).

NOTES TO FINANCIAL STATEMENTS

28. SIGNIFICANT ACCOUNTING POLICIES

A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956 as adopted consistently by the Company. All income and expenditure items having a material bearing on the financial statements are recognized on accrual basis, except in respect of insurance claims and Liquidated damages, where the exact quantum can not be ascertained.

B) SALES

- a) The Sales are inclusive of Excise Duty but net of Sales Tax.
- b) Revenue in respect of Service/ Works Contracts is recognized based on the Work performed and invoiced as per the terms of specific Contracts.
- c) Revenue in respect of sale of goods is recognized either on delivery or on transfer of significant risk and rewards of ownership of the goods.
- d) Incentives on exports and other Government incentives are recognised in books after due consideration of certainty of utilization/receipt of such incentives.

C) FIXED ASSETS

a) VALUATION OF FIXED ASSETS

- i) Tangible Fixed Assets are stated at cost of acquisition (net of Cenvat/ Value Added Tax credit) inclusive of all incidental expenses related thereto except Land, Building and Plant and Machinery in respect of Pipe Division, at Kosi Kalan, Mathura which have been stated at revalued amount as a result of their revaluation.
- ii) Software which is not an integral part of related hardware is classified as an intangible asset and is stated at cost.
- iii) Iron Ore Mines Development expenditure is capitalised and is depreciated over the useful life of mines or lease period whichever is less, subject to maximum of five years.
- iv) The overburden removal cost (Stripping cost) is capitalized and amortized in the ratio of Iron Ore extracted during the year to Iron Ore Reserve of each block for a planned period of five years.

b) DEPRECIATION AND AMORTISATION

- i) Depreciation on Fixed Assets is provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956, as amended up to date.
- ii) Depreciation on revalued fixed assets is computed on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956, as amended up to date and additional depreciation on account of revaluation is adjusted to Revaluation Reserve Account.
- iii) Leasehold assets are amortized over the lease period.
- iv) Intangible fixed assets are amortized over a period of 5 years.

c) EXPENDITURE DURING CONSTRUCTION PERIOD FOR NEW PROJECT / EXPANSION CUM MODERNIZATION PROJECTS

Expenditures which are directly attributable to identified assets and incurred during the construction period are included under capital work-in-progress, till the completion of the project. Expenditures which are not directly attributable to an identified asset forming part of a project, including interest on borrowed funds, are carried to pre-operative expenses, till the completion of the project. On completion of the project, capital work in progress along with pre-operative expenses is carried to respective fixed assets.

d) IMPAIRMENT OF ASSETS

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Profit and Loss Account. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

D) VALUATION OF INVENTORIES

Inventories are valued at the lower of cost and net realizable value except scrap, which is valued at net realizable value. The cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their respective present location and condition. Cost is computed on the weighted average basis.

NOTES TO FINANCIAL STATEMENTS

E) INVESTMENTS

Long-term investments are stated at cost. When there is a decline other than temporary in their value, the carrying amount is reduced on an individual investment basis and decline is charged to the Profit and Loss Account. Appropriate adjustment is made in carrying cost of investment in case of subsequent rise in value of investments. Current investments are carried at lower of cost or fair market value.

F) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets and other borrowing costs are recognized as expense in the period in which these are incurred.

G) FOREIGN EXCHANGE TRANSACTIONS

Foreign currency transactions are recorded at the exchange rate prevailing at the date of transaction. Monetary foreign currency assets and liabilities are translated at the year end exchange rates. All exchange differences are dealt with in the Profit and Loss Account, except (i) in case of long term liability, where they relate to acquisition of fixed assets, they are adjusted to the carrying cost of such assets (ii) to the extent that they are regarded as an adjustment to the interest cost and the resultant balance for new projects, till the date of capitalization, are carried to pre-operative expenses. In case of forward foreign exchange contracts, exchange difference are dealt within the Profit and Loss Account over the life of the contract, except as mentioned in (ii) supra. Non monetary foreign currency items are carried at historic costs.

In the case of foreign branches, being non-integral foreign operations, revenue items are converted at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Exchange Gain arising on conversion is recognized in the exchange fluctuation reserves and in case of loss, the same is charged to Profit and Loss Account.

Gain or loss on reinstatement on the forward exchange transaction or on cancellation of forward exchange contracts, if any, is reflected in the Profit and Loss Account or capitalized till the date of installation of such fixed asset.

The Company follows the principles of AS 30, "Financial Instruments : Recognition and Measurement" with regard to forward and option contracts, to the extent does not conflict with existing accounting standards, other authoritative pronouncements of the Company Law and other regulatory requirements.

H) CONTINGENT LIABILITIES

Contingent liabilities are not provided for in the Accounts but are separately disclosed by way of a note.

I) EMPLOYEE BENEFITS

- a) Short term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss Account of the year in which the related services are rendered.
- b) Contributions to Provident Fund, a defined contribution plan are made in accordance with the statute, and are recognized as an expense in the year in which the employees have rendered service.
- c) The cost of providing leave encashment and gratuity, defined benefit plans are determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses are recognized as and when incurred.

J) GOVERNMENT GRANTS

Grants and subsidies from the Government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

Government Grant of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders funds.

K) TAXATION

- a) Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws.
- b) Deferred tax is computed at the current rate of tax to the extent of temporary timing differences that originate in one period and are capable of reversal in one or more subsequent periods.
Deferred tax assets is recognised only when there is virtual certainty of sufficient taxable profit in future.

NOTES TO FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
29 CONTINGENT LIABILITIES		
a) Guarantees issued by the Company's bankers on behalf of the Company	87,721.40	87,403.13
b) Letter of Credit Outstanding	24,513.21	92,901.42
c) Claims against the company not acknowledged as debt	81.22	495.21
d) Corporate guarantees/ undertaking issued to lenders of subsidiary companies	91,596.56	43,609.91
e) Disputed Excise duty, Custom Duty and service tax	229.27	212.13
f) Income tax demands against which company has preferred appeals	2,609.59	1,950.58
g) Disputed Sales Tax	585.41	650.00
h) Liability in respect of Corporate Guarantee/Duty Saved for availing various export based incentive schemes	11,479.81	11,479.51
30 Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	23,102.15	43,590.39

31 The Scheme of Arrangement and Demerger (Scheme) entailing de-merger of Investment Undertaking of the Company into Hexa Tradex Limited (HTL) was sanctioned by the Hon'ble High Court of Judicature at Allahabad. The Scheme became effective from November 5, 2011 on filing the same with the Registrar of Companies, UP.

As per the said Scheme, with effect from the Appointed Date i.e. 1st January, 2011, the Investment Undertaking was transferred to and vested in HTL on a going concern basis pursuant to the provisions contained in Sections 391 to 394 and other applicable provisions of the Companies Act 1956. The effect of the Scheme was given in the financial results for the year ended 31st March, 2012.

As a consideration of transfer of Investment Undertaking, HTL issued and allotted to the equity shareholders of Company 1 (one) equity share of face value of ₹ 2/- (credited as fully paid-up) for every 5 (five) fully paid-up equity shares of ₹ 2/- each held by them in Jindal Saw Ltd. as on the record date, i.e., November 23, 2011. The equity shares so allotted by HTL are listed on NSE and BSE. As per the Scheme investment made by the company in HTL of ₹ 5 lacs stands cancelled and is debited to capital reserve.

The difference between the book value of assets and liabilities transferred pursuant to the Scheme was adjusted in previous year as follows:

- (a) Capital Reserve Account: ₹ 2,133.90 lacs
- (b) Security Premium Account: ₹ 1,9697.04 lacs

32 The details of amount outstanding to the Micro, Small and Medium Enterprises is as under :

Sr. No.	Particulars	As At 31st March 2013 (₹ in lacs)	As At 31st March 2012 (₹ in lacs)
I	Principal amount outstanding as at end of the year	43.25	33.20

There is no principal amount and interest overdue to Micro, Small & Medium Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the company.

33 The Company's manufacturing facility at Nashik has been granted "Mega Project Status" by Government of Maharashtra and therefore is eligible for Industrial Promotion Subsidy (IPS) under Packaged Scheme of Incentive (PSI) 2007.

The purpose of the Packaged Scheme of Incentive (PSI) 2007 is for intensifying and accelerating the process of dispersal of industries to the less developed regions and promoting high tech industries in the developed areas of the state coupled with the object of generating mass employment opportunities.

Modalities of payment of IPS consists of the following:

- a. Electricity Duty exemption for a period of 7 years from the date of commencement of commercial production - from 10.09.2009 to 09.09.2016

NOTES TO FINANCIAL STATEMENTS

- b. 100% exemption from payment of Stamp duty.
c. VAT and CST payable to the State Government (on sales made from Nashik plant, within a period of 7 years starting from 10th Sep 2009).

IPS will be payable so as to restrict up to 75% of the Eligible Fixed Capital investments made from 13th Sep 2007 to 10th Sep 2009. The Eligibility Certificate issued allows maximum Fixed Capital Investment of ₹ 350 crores and restrict IPS to 75% of ₹ 350 crores ie ₹ 262.50 crores.

In terms of the Accounting Standard (AS 12) "Accounting for Government Grants" prescribed by Companies (Accounting Standards) Amendment Rules, 2006, eligible incentive of ₹ 1538.06 lacs (Previous Year ₹ 1,523.93 lacs) is considered to be in the nature of promoters' contribution and has been credited to Capital Reserve.

- 34 Due to unusual Depreciation in the value of the rupee against US Dollar and other foreign currencies during the year, the net loss on reinstatement/settlement of foreign currency monetary items other than long term foreign currency monetary items related to acquisition of depreciable assets has been considered by the Company to be exceptional in nature.
Exceptional items for the current year includes ₹ 1,446.18 lacs (debit) on account of foreign exchange fluctuation relating to sales and material purchases . The amount of such fluctuation amounting to ₹ 9,318.86 lacs (credit) was included under the relevant heads of expenditure & income during last year.
- 35 The Company has exercised the option in financial year 2011-12 for accounting of the exchange differences arising on long term foreign currency monetary items in line with Companies (Accounting Standard (Second Amendment) Rules, 2011 dated 29th December, 2011 relating to Accounting Standard (AS-11) notified by Central Government w.e.f. 1st April, 2011. Accordingly it has capitalized the exchange difference on long term foreign currency loans related to acquisition of depreciable assets.
- 36 The Company's significant leasing arrangements are in respect of operating leases for premises-residential and offices. These leasing arrangements are cancellable. The aggregate lease rentals payables are charged as rent.
- 37 The Company has unquoted investments of ₹ 69,049.50 lacs (Previous Year ₹ 5,9911.89 lacs) and Share Application Money of ₹ 5,037.24 lacs (Previous Year ₹ 8,660.78 lacs) in Subsidiary Companies, which have accumulated losses as per the latest available Balance Sheet and certain other unquoted investments where the fair value (amount unascertained) is lower than the cost, considering the long term strategic investments and future prospects, such diminution, in the opinion of the management, has been considered to be of temporary nature and hence no provision for the same is considered necessary.
- 38 An amount of ₹ 5,811.55 lacs (Previous Year ₹ 6,777.54 lacs) is outstanding from Subsidiary companies, which have accumulated losses. Having regard to the long- term involvement and future prospects, no provision is considered necessary towards these outstanding.
- 39 Charity and Donations includes ₹ 25 lacs (Previous year NIL) paid to Bhartiya Janta Party,Gujrat State Unit as contribution to political parties.
- 40 Sundry Debtors, Creditors and other advances are subject to confirmation. The effect of the same, if any, which is not likely to be material, will be adjusted at the time of confirmation.
- 41 (a) The company has provided sponsor's undertakings to lenders of the projects being sponsored by its wholly owned subsidiary namely Jindal ITF Limited. Major terms of the undertakings envisage investment/buyback of equity/instruments, retention of major equity in subsidiary company, supporting the projects for shortfall in debt servicing and in the eventuality of any cost overrun.
(b) Company has given guarantees/ indemnities for its step down subsidiary Company namely Jindal Saw Italia SPA (JSI) favoring supplier/lessor for (i) Inventory purchase by JSI (ii) towards plant performance/upkeep and (iii) employees benefits; total amounting to ₹ 1,4181.23 lacs (Previous Year ₹ 21994.37 lacs)
(c) One of the subsidiary of the Company has privately placed various instruments including 9.25% -Compulsorily Convertible Debentures of ₹ 20,000 Lacs, 0%- Compulsorily Convertible Debentures of ₹ 10,000 Lacs and Redeemable Non Convertible Debentures aggregating to ₹ 16,000 lacs all aggregating to ₹ 46,000 lacs. The subscribers of such instruments have put option to require the Company to purchase the put securities at the Put Option Price within the time period as per the terms of the agreement/s which is spread over a period ending June, 2017. The estimated amount of buy back option, if so opted of such securities as per the pricing of the agreement/s as on 31st March, 2013 is ₹ 49,870 lacs.
- 42 In the opinion of the Management, the realizable value of assets other than fixed assets and long term investments, in the ordinary course of business, would not be less than the amount at which they are stated.

NOTES TO FINANCIAL STATEMENTS

43 Financial and Derivative Instruments

- a) Nominal amounts of derivative contracts entered into by the company and outstanding as at 31st March, 2013 for hedging Currency and interest rate related risks:

Sr.No.	Particulars	As At	As At
		31st March 2013	31st March 2012
		₹ in lacs	₹ in lacs
1	Interest rate swaps	39,714.16	7,673.48
2	Options	-	15,270.22
3	Forward Contracts	20,667.93	52,411.12

- b) Foreign Currency exposures that has not been hedged by derivative instrument or otherwise are as under:

Sr.No.	Particulars	As At	As At
		31st March 2013	31st March 2012
		₹ in lacs	₹ in lacs
1	Receivables/ inflow	47,155.03	25,358.00
2	Payable/ Outflow	2,27,439.93	1,02,349.03

44 Related Party Disclosures

List of Related Parties and Relationship

A) Subsidiaries

i) Direct Subsidiaries:-

Sr.No	Name of the Company
1	Jindal ITF Ltd.
2	IUP Jindal Metal and Alloys Ltd.
3	S.V. Trading Ltd.
4	Jindal Fittings Ltd.
5	Quality Iron and Steel Ltd.
6	Ralael Holdings Ltd.
7	Jindal Saw Holdings FZE
8	Greenray Holdings Limited
9	Universal Tube Accessories Pvt Ltd (w.e.f. 30th August 2012)
10	Jindal Saw Espana SL (w.e.f. 21st March 2013)

ii) Indirect Subsidiaries (Control Exist)

Sr.No	Name of the Company
1	Jindal Saw USA, LLC
2	Jindal Saw Middle East FZC
3	Jindal Intellicom Limited
4	JITF Water Infrastructure Limited
5	JITF Urban Infrastructure Ltd.
6	JITF Shipyards Ltd.
7	Jindal Rail Infrastructure Ltd.
8	JITF Waterways Ltd.
9	JITF Infralogistics Ltd.
10	JITF Water Infra (Naya Raipur) Ltd.
11	JITF ESIPL CETP (Sitarganj) Ltd.
12	Timarpur-Okhla Waste Management Co. Pvt. Ltd.

NOTES TO FINANCIAL STATEMENTS

- 13 Jindal Saw Gulf LLC
- 14 Jindal Saw Italia S.P.A.
- 15 JITF Urban Infrastructure Services Ltd.
- 16 Intellicom Insurance Advisors Ltd.
- 17 Derwant Sand SARL
- 18 JITF Coal Logistics Ltd.
- 19 JITF Shipping and Logistics (Singapore) PTE. Ltd.
- 20 JITF Urban Waste Management (Ferozepur) Ltd.
- 21 JITF Urban Waste Management (Jalandhar) Ltd.
- 22 JITF Urban Waste Management (Bathinda) Ltd.
- 23 JITF Industrial Infrastructure Development Co. Limited (w.e.f. 2nd May 2012)
- 24 Jindal ITF Kobelco Eco Ltd. (upto 31st October 2012)
- 25 JITF Manila Water Development Co Ltd (upto 6th February 2013)
- 26 JITF Global Water Holding Pte. Ltd.
(Strike off application for closure is filed on 3rd January, 2013 with Accounting and Corporate Regulatory Authority, Singapore. Closure action is awaited)
- 27 JITF Water Infra (Rajkot) Ltd. (upto 29th January, 2013)

B) Joint Venture

- 1 Jindal Sigma Ltd.
- 2 JWIL-SSIL JV (w.e.f. 28th Feb. 2012)
- 3 SMC-JWIL- JV (w.e.f. 24th Dec. 2012)
- 4 JWIL- Ranhill- JV (w.e.f. 27th Nov. 2012)

C) Key Management Personnel

- | | | |
|---|-----------------------|--|
| 1 | Ms. Sminu Jindal | Managing Director |
| 2 | Mr. Indresh Batra | Managing Director |
| 3 | Mr. H S Chaudhary | Whole Time Director |
| 4 | Mr. O P Sharma | Chief Operating Officer (Large Dia. Pipe- SBU) |
| 5 | Mr. K Chandrayya | Director (Works- IPU) (upto 28th Feb. 2013) |
| 6 | Mr. V S Konnur | Joint Managing Director (Seamless Business) |
| 7 | Mr. Anurag Shrivastva | President (Mundra Operations) |
| 8 | Dr. Dharmendra Gupta | Director (Mines & Steel) |

D) Relative of Key Management Personnel

Mr. P.R. Jindal

E) Enterprise over which Key Management Personnel having significant influence

- 1 Sminu Jindal Charitable Trust
- 2 Hexa Securities and Finance Co. Ltd.
- 3 Hexa Tradex Limited

NOTES TO FINANCIAL STATEMENTS

Related Party Transactions

Particulars	₹ in lacs					
	Subsidiaries		Associates		Key Management Personnel (KMP), their relatives & Enterprises over which KMP having significant influence	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
A. Transactions						
1 Sale of Fixed Asstes						
Jindal Fittings Ltd.	25.50	-	-	-	-	-
2 Sale of Material/ Services						
Jindal ITF Limited	-	1,103.19	-	-	-	-
JITF Water Infrastructure Ltd.	938.62	2,696.35	-	-	-	-
JITF Shipyard Ltd.	3.61	-	-	-	-	-
Jindal Saw USA LLC	2,304.66	141.58	-	-	-	-
Jindal Saw Gulf LLC	489.48	-	-	-	-	-
Jindal Sigma Ltd.	-	-	2,435.99	1,932.12	-	-
Jindal Saw Italia S.P.A.	4,679.69	-	-	-	-	-
Jindal Saw Espana SL	1,245.34	-	-	-	-	-
Derwant Sand SARL	838.44	-	-	-	-	-
3 Guarantee Commission Charges						
Jindal Saw Middle East FZC	199.19	145.79	-	-	-	-
Jindal Saw Italia S.P.A.	176.68	109.75	-	-	-	-
Green Ray Holdings	48.23	-	-	-	-	-
4 Purchase of Consumables/ material/ services						
Jindal Intellicom Ltd.	-	96.00	-	-	-	-
Jindal Saw Italia S.P.A.	5.37	-	-	-	-	-
Jindal Saw USA LLC	9.38	-	-	-	-	-
5 Purchase of Capital Items						
JITF Water Infrastructure Ltd.	500.71	2,579.26	-	-	-	-
6 Interest Received						
S.V. Trading Ltd.	149.36	114.05	-	-	-	-
IUP Jindal Metal and Alloys Ltd.	755.99	680.37	-	-	-	-
Ralael Holdings Ltd.	4.71	46.21	-	-	-	-
Hexa Securities & Finance Co. Ltd.	-	-	-	-	11.53	2.38
Hexa Tradex Ltd.	-	-	-	-	19.15	5.90

NOTES TO FINANCIAL STATEMENTS

Particulars	₹ in lacs					
	Subsidiaries		Associates		Key Management Personnel (KMP), their relatives & Enterprises over which KMP having significant influence	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
7 Share Capital/ Share Application Money invested during the year						
Jindal ITF Ltd.	-	0.08	-	-	-	-
Jindal Saw Holding FZE	3,299.85	3,072.39	-	-	-	-
Jindal Fittings Ltd.	390.00	94.05	-	-	-	-
Quality Iron & Steel Ltd.	-	2.55	-	-	-	-
Green Ray Holdings	-	258.39	-	-	-	-
Ralael Holdings Ltd.	7,689.98	3,601.15	-	-	-	-
Jindal Saw Espana SL	253.58	-	-	-	-	-
Universal Tube Accessories Pvt Ltd.	110.60	-	-	-	-	-
8 Share Application Money Recd Back						
Ralael Holdings Ltd.	5,987.73	-	-	-	-	-
9 Loan given during the year						
Hexa Securities & Finance Co. Ltd.	-	-	-	-	208.32	135.01
IUP Jindal Metal and Alloys Ltd.	-	3.50	-	-	-	-
Ralael Holdings Ltd.	-	649.40	-	-	-	-
S.V. Trading Ltd.	-	903.16	-	-	-	-
Hexa Tradex Ltd.	-	-	-	-	1,064.15	1,201.21
10 Loan Received Back during the year						
Hexa Securities & Finance Co.Ltd.	-	-	-	-	345.71	-
IUP Jindal Metal and Alloys Ltd.	1,000.00	24.02	-	-	-	-
S.V. Trading Ltd.	319.29	-	-	-	-	-
Hexa Tradex Ltd.	-	-	-	-	1,052.00	1,059.00
Ralael Holdings Ltd.	680.90	-	-	-	-	-
11 Loan taken during the year						
Hexa Securities & Finance Co.Ltd.	-	-	-	-	430.00	-
12 Loan repaid during the year						
Hexa Securities & Finance Co.Ltd.	-	-	-	-	430.00	-
13 Rent Paid						
Mr. P.R. Jindal	-	-	-	-	8.40	8.40
Jindal Intellicom Ltd.	31.84	-	-	-	-	-
Jindal Saw USA LLC.	69.68	59.39	-	-	-	-
14 Meeting Fee Paid						
Mr. P.R. Jindal	-	-	-	-	0.80	0.20

NOTES TO FINANCIAL STATEMENTS

Particulars	₹ in lacs					
	Subsidiaries		Associates		Key Management Personnel (KMP), their relatives & Enterprises over which KMP having significant influence	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
15 Donation Paid						
Sminu Jindal Charitable Trust	-	-	-	-	75.00	75.00
16 Remuneration Paid						
Ms. Sminu Jindal	-	-	-	-	275.99	269.52
Mr. Indresh Batra	-	-	-	-	218.15	217.89
Mr. O.P.Sharma	-	-	-	-	91.40	81.50
Mr. V S Konnur	-	-	-	-	92.71	91.61
Others	-	-	-	-	215.27	66.05
17 Interest Paid						
Ms. Sminu Jindal	-	-	-	-	18.17	10.40
Hexa Securities & Finance Co.Ltd.	-	-	-	-	4.11	-
18 Rent Received						
Mr. P.R. Jindal	-	-	-	-	8.50	6.00
Hexa Tradex Ltd.	-	-	-	-	0.60	0.59
Jindal Intellicom Ltd.	42.33	42.33	-	-	-	-
19 Expenses incurred / recovered by the Company						
JITF Water Infrastructure Ltd.	26.19	20.87	-	-	-	-
Jindal Fittings Ltd.	-	4.50	-	-	-	-
Jindal Saw USA LLC	-	1.10	-	-	-	-
Jindal Intellicom Ltd.	81.93	114.03	-	-	-	-
Hexa Tradex Ltd.	-	-	-	-	6.64	-
20 Expenses reimbursed						
Jindal Saw USA LLC	98.68	707.93	-	-	-	-
Jindal Saw Gulf LLC	0.73	-	-	-	-	-
Jindal Intellicom Ltd.	67.74	19.65	-	-	-	-
B. Outstanding Balance as on 31.03.2013						
I Loans given						
Hexa Securities & Finance Co. Ltd.	-	-	-	-	-	137.39
S.V. Trading Ltd.	1,319.57	1,375.17	-	-	-	-
IUP Jindal Metal and Alloys Ltd.	5,728.31	6,047.92	-	-	-	-
Ralael Holdings Ltd.	83.24	729.62	-	-	-	-
Hexa Tradex Ltd.	-	-	-	-	177.50	148.11

NOTES TO FINANCIAL STATEMENTS

₹ in lacs

Particulars	Subsidiaries		Associates		Key Management Personnel (KMP), their relatives & Enterprises over which KMP having significant influence	
	2012-13	2011-12	2012-13	2011-12	2012-13	2011-12
2 Advances Recoverable						
JITF Water Infrastructure Ltd.	1,000.00	1,000.00	-	-	-	-
JITF Shipyard Ltd.	500.00	500.00	-	-	-	-
3 Investment Outstanding						
IUP Jindal Metals & Alloys Ltd.	4,531.80	4,531.80	-	-	-	-
Jindal ITF Ltd.	51,897.71	51,897.71	-	-	-	-
Jindal Saw Holding FZE	11,839.30	8,539.45	-	-	-	-
S.V. Trading Ltd.	938.93	938.93	-	-	-	-
Jindal Fittings Ltd	484.05	94.05	-	-	-	-
Quality Iron & Steel Ltd.	2.55	2.55	-	-	-	-
Green Ray Holdings	258.39	258.39	-	-	-	-
Ralael Holdings Ltd.	5,303.41	3,601.15	-	-	-	-
Jindal Saw Espana SL	253.58	-	-	-	-	-
Universal Tube Accessories Pvt Ltd.	110.60	-	-	-	-	-
4 Receivables						
JITF Water Infrastructure Ltd.	3,707.64	3,172.94	-	-	-	-
Jindal Saw USA LLC	35.26	122.76	-	-	-	-
Jindal Intellicom Ltd.	56.46	116.11	-	-	-	-
Jindal Saw Middle East FZC	363.76	154.73	-	-	-	-
Jindal Sigma Ltd.	-	-	1,311.67	1,199.91	-	-
Jindal Saw Italia S.P.A.	2,109.75	109.19	-	-	-	-
Jindal Saw Espana SL	1,260.37	-	-	-	-	-
Jindal Fittings Ltd.	25.50	-	-	-	-	-
Hexa Tradex Ltd.	-	-	-	-	7.83	-
Jindal Saw Gulf LLC	504.07	-	-	-	-	-
5 Payables						
Jindal ITF Ltd.	234.61	234.66	-	-	-	-
Jindal Saw USA LLC	264.73	123.32	-	-	-	-
Jindal Intellicom Ltd.	34.43	23.95	-	-	-	-
JITF Water Infrastructure Ltd.	-	50.56	-	-	-	-

NOTES TO FINANCIAL STATEMENTS

	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
45 EMPLOYEE BENEFITS		
i) Defined Contribution Plan		
Company's contribution to Provident Fund	990.96	941.79
Company's contribution to ESI	2.88	1.39
Company's contribution to Superannuation Fund	7.30	10.04
ii) Defined Benefits Plan		
a) Actuarial Assumptions for Gratuity (Funded) and Leave Encashment (Unfunded)		
Attrition Rate	10.00%	10.00%
Imputed Rate of Interest	8.00%	8.75%
Future salary increase	10.50%	10.50%
Expected return on plan assets	9.40%	9.40%
Mortality rate	LIC (1994-96) Ultimate Mortality Table	LIC (1994-96) Ultimate Mortality Table
Remaining Working Life	25.8 Years	26.29 Years
The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.		
b) Reconciliation of present value of obligation		
Gratuity (Funded)		
Present value of obligation at the beginning of the year	2,703.73	2,070.09
Current Service Cost	454.56	410.14
Interest Cost	215.70	177.77
Actuarial (gain)/ loss	83.73	122.64
Benefits paid	(92.34)	(76.91)
Present value of obligation at the end of the year	3,365.38	2,703.73
Leave Encashment (Unfunded)		
Present value of obligation at the beginning of the year	1,890.50	1,439.78
Current Service Cost	516.51	1,090.23
Interest Cost	150.83	117.71
Actuarial (gain)/ loss	(451.19)	(568.26)
Benefits paid	(197.67)	(188.96)
Present value of obligation at the end of the year	1,908.98	1,890.50
c) Reconciliation of fair value of plan assets		
Gratuity (Funded)		
Fair value of plan assets at the beginning of the year	1,560.97	1,172.98
Expected return on plan assets	167.25	122.45
Actuarial gain/ (loss)	-	6.26
Contributions	391.53	336.19
Benefits paid	(92.34)	(76.91)
Fair value of plan assets at end of the year	2,027.41	1,560.97
Present value of obligation at the end of the IVP	3,365.38	2,703.73
Funded Status	(1,337.97)	(1,142.76)
Assets distributed on settlement	-	-

NOTES TO FINANCIAL STATEMENTS

	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
d) Net (Asset)/Liability recognised in the Balance Sheet as at year end		
Gratuity (Funded)		
Present value of obligation at the end of the year	3,365.38	2,703.73
Fair value of plan assets at end of the year	2,027.41	1,560.97
Net present value of unfunded obligation recognised as (asset)/liability in the Balance Sheet	1,337.97	1,142.76
Leave Encashment (Unfunded)		
Present value of obligation at the end of the year	1,908.98	1,890.50
Fair value of plan assets at end of the year	N.A.	N.A.
Net present value of unfunded obligation recognised as (asset)/liability in the Balance Sheet	1908.98*	1890.50*
* Does not include short terms leave liability ₹ 498.47 lacs (Previous year ₹ 472.60 lacs)		
e) Composition of plan assets as a percentage of total plan assets		
Gratuity (Funded)		
Insurer Managed Fund	2,027.41	1,560.97
Percentage	100%	100%
f) Expenses recognised in the Profit and Loss Account		
Gratuity (Funded)		
Current Service Cost	454.56	410.14
Interest Cost	215.70	177.77
Expected return on plan assets	(167.25)	(122.45)
Actuarial (gain)/loss recognised in the year	83.73	116.38
Past Service Cost	-	-
Total expenses recognised in the Profit and Loss Account for the year	586.74	581.84
Actual return on plan assets	167.25	128.71
Leave Encashment (Unfunded)		
Current Service Cost	516.51	1,090.23
Interest Cost	150.83	117.71
Expected return on plan assets	-	-
Actuarial (gain)/loss recognised in the year	(451.19)	(568.26)
Past Service Cost	-	-
Total expenses recognised in the Profit and Loss Account for the year	216.15	639.68
Actual return on plan assets	-	-

NOTES TO FINANCIAL STATEMENTS

46 Segment Reporting

(i) Information about Business Segment

The company has only one business segment 'Iron & Steel Products' as primary Segment

(ii) Secondary Segment (Geographical Segment)

The Secondary Segment is Geographical, the Information of which is given hereunder:-

Particulars	Within India ₹ in lacs	Outside India ₹ in lacs	Total ₹ in lacs
1 Gross Revenue from Operations	2,34,420.90 2,63,656.61	3,41,582.00 2,74,339.83	5,76,002.90 5,37,996.44
Less: Excise Duty	14,333.06 18,206.13	- -	14,333.06 18,206.13
Net Revenue from Operations	2,20,087.84 2,45,450.48	3,41,582.00 2,74,339.83	5,61,669.84 5,19,790.31
2 Segment Assets	6,60,414.86 6,18,353.98	73,951.92 69,750.55	7,34,366.78 6,88,104.53
3 Capital Expenditure	86,971.83 53,485.35	- 6.40	86,971.83 53,491.75

Note:

- Unbold figures pertain to previous year.
- Segment have been indentified in line with AS on Segment Reporting (AS-17) taking into account the organisational structure and nature of product and differential risk and return of these segments

47 Disclosure as per amendment to clause 32 of the Listing Agreement.

Details of Inter Corporate Loans:

Name of the Company	Amount outstanding as at 31st March, 2013 ₹ in lacs	Maximum balance outstanding during the year ₹ in lacs
(a) Loans to Subsidiaries		
(i) IUP Jindal Metal & Alloys Ltd.	5,728.31 6,047.92	6,047.92 6,047.92
(ii) S.V. Trading Ltd.	1,319.57 1,375.17	1,375.17 1,375.17
(iii) Ralael Holdings Ltd.	83.24 729.62	729.62 729.62
(b) Loans & Advances where there is no repayment schedule:		
(i) Hexa Securities & Finance Co. Ltd. *	- 137.39	227.39 20,348.02
(ii) Satellite Developers Pvt. Ltd.**	9,431.37 8,116.50	9,431.37 8,116.50
(iii) Hexa Tradex Ltd.	177.50 148.11	505.62 1,168.17

Note: Unbold figures pertain to previous year

* No interest charged upto 14.12.2011.

** inclusive of interest receivable of ₹ 1460.97 lacs (Previous year- ₹ 916.50 lacs)

NOTES TO FINANCIAL STATEMENTS

	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
48 Auditors' Remuneration		
I. Statutory Auditors		
i. Audit Fee	21.00	19.80
ii. Tax Audit Fee	3.00	2.80
iii. Taxation Matters	-	0.45
iv. Certification/others	2.87	1.97
v. Out of pocket Expenses	4.67	3.54
Total	31.54	28.56
2. Cost Auditors		
i. Audit Fee	8.00	7.65
ii. Out of pocket Expenses	1.17	1.37
Total	9.17	9.02
49 Directors' Remuneration		
i. Salary including allowances etc.	261.68	254.52
ii. Commission	190.50	190.60
iii. Contribution to Provident and Other Funds	27.76	27.37
iv. Perquisites (as per Income Tax Rules)	61.88	59.29
Total	541.82	531.78
50. Capital Work in progress includes following Pre operative expenses pending allocation.		
Power & Fuel	437.97	19.28
Store & Spares consumed	46.87	22.16
Repairs to Plant and machinery	-	11.06
Salary & Wages	1,752.09	1,104.13
Contribution to Provident & other funds	39.13	23.89
Workman & Staff Welfare expenses	82.84	5.92
Legal & Professional Fee	88.74	63.81
Rent	25.26	33.44
Rates & Taxes	2.95	11.13
Insurance	39.07	6.53
Travelling and Conveyance	233.94	72.80
Interest & Bank Charges*	4,751.28	3,780.59
Foreign Exchange Fluctuation	(700.63)	2.09
Miscellaneous Expenses	479.70	192.56
Depreciation	46.28	19.33
	7,325.49	5,368.72
Add: Expenditure upto previous year	5,852.96	1,331.62
	13,178.45	6,700.34
Less: Capitalised during the year	7,058.67	847.38
Balance Carried Forward	6,119.78	5,852.96
* Net of Interest received ₹ 50.63 lacs (Previous year ₹ 57.46 lacs)		

NOTES TO FINANCIAL STATEMENTS

	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)	
51. Earning per share (EPS):			
Basic and Diluted			
Profit before tax and excluding Extra ordinary Items	26,592.40	32,296.82	
Less: Tax on ordinary activities	7,251.00	9,878.00	
Less: Adjustments for tax and depreciation of earlier years	53.10	-	
Profit attributable to Equity Shareholders - Basic (A)	19,288.30	22,418.82	
Profit attributable to Equity Shareholders - Diluted (B)	19,288.30	22,418.82	
Weighted Average No of Shares issued for Basic EPS (C)	276,226,771	276,226,771	
Weighted Average No of Shares issued for Diluted EPS (D)	276,226,771	276,226,771	
Earning per share (on face value of ₹ 2/each)			
Basic = A/C	6.98	8.12	
Diluted = B/D	6.98	8.12	
52. OTHER ADDITIONAL INFORMATIONS			
A) DETAILS OF RAW MATERIALS CONSUMPTION / SOLD			
Steel Plates/Coils	1,92,837.20	2,27,937.00	
Steel Pipes	2,037.75	-	
Round Billets	59,662.64	66,771.98	
Coating Materials	23,904.82	22,015.45	
Coal/ Coke/fines	41,597.96	40,240.93	
Iron ore/fines	27,169.90	25,107.26	
Others	10,459.08	6,988.05	
Net Consumption	3,57,669.35	3,89,060.67	
TRADING GOODS PURCHASE			
Steel Plates and pipes	-	227.32	
Others	2,137.93	2,958.63	
	2,137.93	3,185.95	
B) DETAILS OF FINISHED GOODS STOCKS			
	Opening Stock as at 1st April, 2011	Opening Stock as at 1st April, 2012 and Closing Stock as at 31st March, 2012	Closing Stock as at 31st March, 2013
	₹ in lacs	₹ in lacs	₹ in lacs
Finished Goods:			
Iron & Steel Pipes	17,662.69	39,062.70	37,441.47
Pig Iron	651.87	1,820.22	5,188.86
Others	3,134.00	333.29	560.69
	<u>21,448.56</u>	<u>41,216.21</u>	<u>43,191.02</u>

NOTES TO FINANCIAL STATEMENTS

	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
C) DETAILS OF SALES		
Manufactured goods		
Iron & Steel Pipes	5,21,852.07	4,73,493.29
Steel Plates / Coils	602.70	949.23
Pig Iron	14,008.35	2,712.34
Scrap	25,454.65	24,725.39
Others	2,494.36	423.63
	5,64,412.13	5,02,303.88
D) C.I.F. VALUE OF IMPORTS		
Raw Materials	2,03,818.22	2,12,218.86
Stores & Spares	6,901.10	7,275.98
Capital Goods	30,198.94	11,116.16
E) BREAK UP OF THE CONSUMPTION OF RAW MATERIALS AND STORES AND SPARES INTO IMPORTED AND INDIGENOUS		
	Year Ended 31st March, 2013	Year Ended 31st March, 2012
	% ₹ in lacs	% ₹ in lacs
a) Raw Materials		
Imported	63.33 2,26,527.32	61.67 2,39,927.66
Indigenous	36.67 1,31,142.03	38.33 1,49,133.01
	100.00 3,57,669.35	100.00 3,89,060.67
b) Stores and Spares		
Imported	27.48 4,575.04	29.45 5,239.44
Indigenous	72.52 12,075.44	70.55 12,550.67
	100.00 16,650.48	100.00 17,790.11
F) EXPENDITURE IN FOREIGN CURRENCY		
Travelling	146.15	149.04
Interest & Bank Charges	5,199.06	3,876.40
Commission on Sale	4,742.24	2,359.84
Fee and subscription	250.61	27.89
Legal & Professional Fee	401.99	1,219.91
Sales Promotion Expenses	68.91	20.93
Forwarding Charges (net)	18,812.14	10,446.13
Reimbursement of Overseas Branch	76.39	169.56
Others	649.54	1,948.05

NOTES TO FINANCIAL STATEMENTS

	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
G) EARNING IN FOREIGN CURRENCY		
F.O.B. Value of Exports	319,868.88	268,871.01
Interest	154.30	172.35
Carbon Credits	130.72	447.88
Others	856.04	287.80
H) REMITTANCE OF FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND		
a) Financial year to which dividend relates	2011-12	2010-11
b) No. of NRI shares holders	35	37
c) No. of shares held	61,725,735	61,749,735
d) Net amount of dividend remitted-Net of Tax (₹ in Lacs)	617.26	617.50

53. Previous year figures have been regrouped/re-arranged, wherever considered necessary.

54. Notes 1 to 53 are annexed and form integral part of Financial Statements.

As per our report of even date attached

For **N.C.AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

H.S.CHAUDHARY
Wholetime Director

SMINU JINDAL
Managing Director

N.C.Aggarwal
PARTNER
M.No. 005951
PLACE : NEW DELHI
DATED : 27th May 2013

SUNIL JAIN
Company Secretary

N.K.AGARWAL
Vice President
(Corp. Accounts & Taxation)

Statement pursuant to exemption under Section 212(8) of The Companies Act, 1956 relating to Subsidiary Companies

S. No.	Name of the Subsidiary Company	Capital including Share Application Money	Reserve (Net of Accumulated Losses)	Total Assets	Total Liabilities (Outside)	Investment included in Total Assets (other Than in Subsidiaries)	Turnover/ Total Income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
1	Jindal ITF Limited	Rs. in lacs 29,015.80	26,464.46	126,466.60	70,986.34	5,499.00	70.34	(2,259.93)	-	(2,259.93)	NIL
2	IUP Jindal Metals and Alloys Limited	Rs. in lacs 1,400.00	1,331.57	12,051.22	9,319.65	1,000.00	12,432.92	520.15	167.96	352.19	NIL
3	S.V. Trading Limited	Rs. in lacs 1,060.59	19,883.76	22,258.24	1,313.89	-	752.37	594.02	-	594.02	NIL
4	Jindal Fittings Limited	USD 1,950,001	36,558.218	40,923.924	2,415,705	-	1,425,676	1,125,622	-	1,125,622	NIL
5	Quality Iron and Steel Limited	Rs. in lacs 1,007.11	-	3,227.71	2,220.60	-	-	-	-	-	NIL
6	Ralaal Holdings Limited	Rs. in lacs 6,340.80	(5.48)	4.29	4.77	-	-	(4.58)	-	(4.58)	NIL
7	Jindal Saw Holdings FZE	Rs. in lacs 8,774,924	5,856.62	12,253.21	55.79	-	2.12	(4.93)	0.20	(5.13)	NIL
8	Greenray Holdings Limited	Euro 13,419.68	8,104.868	16,956.997	77,205	-	2,930	(6,826)	279	(7,105)	NIL
9	Universal Tube Accessories Pvt. Ltd.	Rs. in lacs 90,649,000	(1,165.77)	18,575.18	6,321.28	-	7.57	(336.18)	-	(336.18)	NIL
10	Jindal Saw Espana S.L.	AED 238.97	(7,874,717)	125,474,080	42,699,797	-	51,143	(2,270,904)	-	(2,270,904)	NIL
11	Jindal Saw USA, LLC	Rs. in lacs 270,000	(153.81)	272.20	187.03	-	-	(169.48)	-	(169.48)	NIL
12	Jindal Saw Italia S.P.A.	GBP 216.35	(173,777)	307,539	211,316	-	-	(191,484)	-	(191,484)	NIL
13	Jindal Saw Middle East FZC	Rs. in lacs 2,24	-	668.87	452.52	-	-	-	-	-	NIL
14	Derwent Sand SARL	Rs. in lacs 3,101	(128.01)	1,596.64	1,722.41	-	353.55	(170.68)	(42.67)	(128.01)	NIL
15	Jindal Saw Gulf LLC	Euro 5,438.93	(177,151)	2,209,557	2,383,606	-	489,270	(236,201)	(59,050)	(177,151)	NIL
16	Jindal Saw Middle East FZC	Rs. in lacs 10,000,000	4,490.47	29,211.21	19,281.81	-	26,275.47	3,878.92	106.33	3,772.59	NIL
17	Derwent Sand SARL	USD 794.87	8,256.171	53,707,645	35,451,474	-	48,309,998	7,131,771	195,500	6,936,271	NIL
18	Jindal Saw Gulf LLC	Rs. in lacs 1,100,000	(2,765.10)	32,277.02	34,247.26	-	23,299.20	(12,050.21)	-	(12,050.21)	NIL
19	Jindal Saw Middle East FZC	Euro 21,199.30	(3,826,578)	44,667,591	47,394,169	-	32,243,343	(16,676,063)	-	(16,676,063)	NIL
20	Derwent Sand SARL	Rs. in lacs 143,199,806	(4,482,971)	424,183,929	285,467,094	-	579.86	(429.84)	-	(429.84)	NIL
21	Jindal Saw Gulf LLC	Rs. in lacs 186.60	(893.88)	2,303.01	3,010.28	-	2,262.23	(732.95)	33.37	(766.31)	NIL
22	Jindal Saw Gulf LLC	DZD 26,650,000	(127,660,744)	328,906,774	429,917,518	-	323,083,205	(104,676,536)	476,595	(109,442,131)	NIL
23	Jindal Intelicom Limited	Rs. in lacs 13,607.09	(237.63)	16,256.02	2,886.56	-	5,588.93	(53.19)	-	(53.19)	NIL
24	JITF Water Infrastructure Limited	AED 9,191,497.5	(1,605,146)	109,808,315	19,498,486	-	37,752,814	(359,312)	-	(359,312)	NIL
25	JITF Urban Infrastructure Services Limited	Rs. in lacs 1,091.00	1,409.29	3,201.62	701.33	1.50	2,777.95	93.13	31.18	61.94	NIL
26	JITF Shipyards Limited	Rs. in lacs 1,522.40	3,307.76	20,772.10	15,941.94	-	17,179.54	1,043.79	395.35	648.44	NIL
27	JITF Rail Infrastructure Limited	Rs. in lacs 5.00	(0.87)	4.55	0.42	-	-	(0.50)	-	(0.50)	NIL
28	JITF Waterways Limited	Rs. in lacs 3,617.00	1,101.05	6,331.60	1,613.55	-	2,482.29	(11.71)	-	(11.71)	NIL
29	JITF Infra Logistics Limited	Rs. in lacs 3,483.87	2,905.35	29,568.05	23,178.83	1,000.00	4,521.36	(1,371.04)	(456.33)	(914.71)	NIL
30	JITF Infra Logistics Limited	Rs. in lacs 30,911.33	6,196.78	58,605.22	21,497.11	740.12	20,675.85	(7,376.47)	(2,347.29)	(5,029.18)	NIL
31	JITF Infra Logistics Limited	Rs. in lacs 33.00	(0.80)	32.68	0.48	5.04	0.33	0.03	-	0.03	NIL

Statement pursuant to exemption under Section 212(8) of The Companies Act, 1956 relating to Subsidiary Companies

S. No.	Name of the Subsidiary Company		Capital including Share Application Money	Reserve (Net of Accumulated Losses)	Total Assets	Total Liabilities (Outside)	Investment included in Total Assets (Other Than in Subsidiaries)	Turnover/ Total Income	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
23	JITF Urban Infrastructure Limited	Rs. in lacs	1,39,50.33	4,573.83	18,665.43	141.27	-	22.55	(28.35)	0.50	(28.85)	NIL
24	JITF Coal Logistics Limited	Rs. in lacs	5.00	-	5.41	0.41	-	-	-	-	-	NIL
25	Intellcom Insurance Advisors Limited	Rs. in lacs	15.00	(10.51)	20.54	16.05	-	2.64	(12.94)	(2.43)	(10.51)	NIL
26	JITF Shipping & Logistics (Singapore) Pte. Limited	Rs. in lacs	5,821.83	(3,067.28)	15,862.54	13,107.99	-	5,327.38	(2,815.82)	-	(2,815.82)	NIL
27	JITF Water-Infra (Naya Raipur) Limited	USD	10,704,001	(5,639,501)	29,164,811	24,100,311	-	10,094,918	(5,335,730)	-	(5,335,730)	NIL
28	JITF ESIPL CETP (Sitargani) Limited	Rs. in lacs	5.00	-	2,407.79	2,402.79	-	-	-	-	-	NIL
29	JITF Industrial Infrastructure Development Co. Ltd.	Rs. in lacs	780.39	79.62	1,368.66	508.65	0.25	40.27	(117.40)	-	(117.40)	NIL
30	JITF Urban Waste Management (Ferozpur) Limited	Rs. in lacs	5.00	-	5.30	0.30	-	-	-	-	-	NIL
31	JITF Urban Waste Management (Jalandhar) Limited	Rs. in lacs	5.88	(336.74)	2,131.89	2,462.75	-	368.37	(338.75)	-	(338.75)	NIL
32	JITF Urban Waste Management (Bathinda) Limited	Rs. in lacs	5.76	(0.75)	514.48	509.47	-	-	(0.47)	-	(0.47)	NIL
33	Timarpur- Okhla Waste Management Company Private Limited	Rs. in lacs	5.77	(384.93)	1,442.96	1,822.12	-	486.83	(386.06)	-	(386.06)	NIL
34	JITF Water Development Company Limited (Formerly known as JITF Mania Water Development Company Limited) *	Rs. in lacs	10,793.17	3,337.81	29,667.67	15,536.69	75.60	2,437.64	(377.63)	-	(377.63)	NIL
35	Jindal ITF Kobelco Eco Limited **	Rs. in lacs	194.68	(194.68)	-	-	-	-	(19.96)	-	(19.96)	NIL
36	JITF Water-Infra (Rajkot) Limited ***	Rs. in lacs	249.50	(115.08)	239.59	105.17	-	7.94	(15.94)	-	(15.94)	NIL
37	JITF Global Water Holding Pte. Limited	Rs. in lacs	5.00	(5.00)	-	-	-	-	(5.00)	-	(5.00)	NIL
		USD	0.00	-	0.00	-	-	-	-	-	-	NIL
		USD	1	-	1	-	-	-	-	-	-	-

Note:

- Exchange Rates as on 31.03.2013-1 US \$ = 54.3893
- Exchange Rates as on 31.03.2013-1 GBP = 82.3209
- Exchange Rates as on 31.03.2013-1 AED = 14.8139
- Exchange Rates as on 31.03.2013-1 Euro = 69.5438
- Exchange Rates as on 31.12.2012-1 DZD = 0.7002
- Exchange Rates as on 31.12.2012-1 Euro = 72.2605
- Exchange Rates as on 31.12.2012-1 GBP = 88.5092
(Rate of exchange on closing day of financial year of subsidiaries)
- Figures in brackets represents losses.

* Subsidiary upto 06-Feb-2013

** Subsidiary upto 31-Oct-2012

***Subsidiary upto 29-Jan-2013



**ANNUAL
REPORT**
2012-13

JINDAL SAW LTD.

CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF JINDAL SAW LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF JINDAL SAW LIMITED, IT'S SUBSIDIARIES AND JOINT VENTURES.

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of Jindal Saw Limited ('the Company'), its subsidiaries and its Jointly controlled entities (Collectively referred as the 'Jindal Saw Group') which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Jindal Saw Group in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Jindal Saw Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditor on the financial statement of the subsidiaries and unaudited financial statement of three subsidiary and one joint venture, referred to below in 'Other Matter' paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Jindal Saw Group as at March 31, 2013;
- b) In the case of the Consolidated Statement of Profit and Loss, of the Loss of the Jindal Saw Group for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Jindal Saw Group for the year ended on that date.

Other Matter

- a) We did not audit the financial statements of subsidiaries - Jindal Saw USA, LLC (JSULLC), Ralael Holdings Ltd., Jindal Saw Italia S.P.A., Jindal Saw Holdings FZE, Jindal Saw Middle East FZC, Jindal Saw Gulf LLC, Jindal Intellicom Limited, Intellicom Insurance Advisors Limited, Universal Tube Accessories Pvt. Ltd. (w.e.f. 30th August 2012), Derwent Sand SARL and Jindal Saw Espana SL (w.e.f. 21st March 2013) whose financial statements reflect total assets as at 31st March, 2013 of ₹ 179,159.51 lacs, total revenues of ₹ 59,525.30 lacs and net cash inflow of ₹ 3,184.66 lacs (before adjustments on consolidation). These financial statements have been audited by other auditors of the company whose report has been furnished to us for the purpose of consolidation and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the report of other auditors.
- b) We did not audit the financial statements of subsidiaries- Greenray Holdings Ltd, JITF Shipping and Logistics (Singapore) Pte. Ltd. and JITF Global Water Holding Pte. Ltd. whose unaudited financial statements reflect total assets of ₹ 16,134.75 lacs as at 31st March, 2013, total revenue of ₹ 5,327.39 lacs and net cash inflow of ₹ 305.13 lacs (before adjustment on consolidation) and one Jointly controlled entity Jindal Sigma Limited, UK whose unaudited financial statements reflect the Jindal Saw Group Share of total assets of ₹ 1,608.95 lacs as at 31st March, 2013, total revenue of ₹ 1,138.25 lacs and net cash inflow of ₹ 264.55 lacs. (before adjustment on consolidation). The said financial statements, which were furnished to us by the management, were unaudited. We are unable to express an opinion on true and fair view in so far as it relates to amounts considered in the consolidated financial statement for the reason as stated above.

FOR N.C. Aggarwal & Co.

Chartered Accountants

Firm Registration No. 003273N

N. C. Aggarwal

Partner

M.No. 005951

Place : New Delhi

Dated : 27th May 2013

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2013

PARTICULARS	Note No.	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	5,524.58	5,524.58
(b) Reserves and Surplus	2	3,61,223.55	3,64,077.00
(2) Share Application Money Pending Allotment	3	-	2,661.04
(3) Minority Interest		19,797.60	3,080.19
(4) Non-Current Liabilities			
(a) Long-Term Borrowings	4	2,84,378.79	1,89,348.14
(b) Deferred Tax Liabilities (Net)	5	6,472.15	1,891.44
(c) Other Long-Term Liabilities	6	10,196.15	11,986.18
(d) Long-Term Provisions	7	3,448.16	3,245.80
(5) Current Liabilities			
(a) Short-Term Borrowings	8	2,10,242.15	1,63,380.71
(b) Trade Payables	9	79,308.23	74,393.67
(c) Other Current Liabilities	10	86,731.41	1,08,994.64
(d) Short-Term Provisions	11	3,965.49	3,965.36
Total		10,71,288.26	9,32,548.75
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	12		
(i) Tangible Assets		4,08,008.58	2,63,686.30
(ii) Intangible Assets		1,329.78	1,000.91
(iii) Capital Work-in-Progress		1,40,959.25	1,50,202.59
(iv) Intangible Assets under Development		13.39	-
(b) Goodwill on Consolidation		15,358.11	15,314.55
(c) Non-Current Investments	13	1,034.25	1,246.88
(d) Long-Term Loans and Advances	14	21,372.38	21,198.99
(2) Current Assets			
(a) Current Investments	15	14,319.76	3,229.13
(b) Inventories	16	1,78,587.58	2,14,458.05
(c) Trade Receivables	17	1,67,868.33	1,55,517.68
(d) Cash and Bank Balances	18	28,970.93	29,498.57
(e) Short-Term Loans and Advances	19	92,872.93	76,961.40
(f) Other Current Assets	20	592.99	233.70
Total		10,71,288.26	9,32,548.75
Significant Accounting Policies and Notes to Consolidated Financial Statements	29-50		

As per our report of even date attached

For **N.C.AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

N.C.Aggarwal
PARTNER
M.No. 005951
PLACE : NEW DELHI
DATED : 27th May 2013

H.S.CHAUDHARY
Wholetime Director

SUNIL JAIN
Company Secretary

SMINU JINDAL
Managing Director

N.K.AGARWAL
Vice President
(Corp. Accounts & Taxation)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Note No.	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
I. Gross Revenue from Operations	21	6,92,414.38	6,23,007.73
Less: Excise Duty		15,941.60	19,368.16
Net Revenue from Operations		6,76,472.78	6,03,639.57
II. Other Income	22	8,279.76	10,142.92
III. Total Revenue (I + II)		6,84,752.54	6,13,782.49
IV. Expenses			
Cost of Materials Consumed	23	3,89,122.54	4,27,366.46
Purchase of Stock-in-Trade	24	6,407.46	7,832.14
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	25	30,451.52	(65,876.59)
Employee Benefit Expenses	26	43,264.92	35,238.23
Finance Costs	27	23,563.62	16,546.71
Depreciation and Amortisation		21,899.18	18,176.63
Other Expenses	28	1,46,858.49	1,32,240.67
Total Expenses		6,61,567.73	5,71,524.25
V. Profit/(Loss) before exceptional and extraordinary items and tax (III - IV)		23,184.81	42,258.24
VI. Exceptional Items (Refer note no. 34)		11,424.20	14,080.39
VII. Profit/(Loss) before extraordinary items and tax (V - VI)		11,760.61	28,177.85
VIII. Extraordinary Items (net of tax expense) (Refer note no. 39)		8,621.20	-
IX. Profit/(Loss) before Tax (VII - VIII)		3,139.41	28,177.85
X. Tax expense			
(1) Current Tax		5,775.73	7,075.90
(2) Deferred Tax		4,580.71	8,509.75
(3) MAT Credit Entitlement		(5,224.00)	(6,252.65)
		5,132.44	9,333.00
XI. Profit/(Loss) for the year after tax and before minority interest (IX-X)		(1,993.03)	18,844.85
XII. Add: Minority Interest in (Profit)/Loss		106.36	66.13
XIII. Profit/(Loss) for the year after minority interest (XI + XII)		(1,886.67)	18,910.98
XIV. Earning per Equity Share before extraordinary items of face value of ₹ 2/- each.			
(1) Basic		2.38	6.85
(2) Diluted		2.38	6.85
XV. Earning per Equity Share after extraordinary items of face value of ₹ 2/- each.			
(1) Basic		(0.70)	6.85
(2) Diluted		(0.70)	6.85
Significant Accounting Policies and Notes to Consolidated Financial Statements	29-50		

As per our report of even date attached

For **N.C.AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

N.C.Aggarwal
PARTNER
M.No. 005951
PLACE : NEW DELHI
DATED : 27th May 2013

H.S.CHAUDHARY
Wholetime Director

SUNIL JAIN
Company Secretary

SMINU JINDAL
Managing Director

N.K.AGARWAL
Vice President
(Corp. Accounts & Taxation)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
A. CASH INFLOW/(OUTFLOW) FROM THE OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ACTIVITY	23,184.81	42,258.24
Adjustments for:-		
Add/(Less)		
Depreciation	21,899.18	18,176.63
Dividend Received	(5.25)	(1,005.60)
Interest Paid	20,474.70	12,855.23
(Profit)/Loss on sale of fixed assets	44.20	716.79
Provision for Doubtful Debts	86.03	175.00
Provision for Doubtful Debts Written Back	(692.66)	(1,115.35)
Liquidated Damages/ Bad Debts	504.33	1,714.34
Bad Debts Recovered	(1,199.93)	-
Profit on Sale of Investments	(228.06)	(91.50)
Provision no longer required	(131.03)	-
Loss on cessation of subsidiary relationship	(14.13)	-
Effect of Foreign Currency Translation Reserve	1,078.80	-
Interest Received	(2,285.56)	39,530.62
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	62,715.43	71,048.08
Adjustments for:-		
Inventories	35,870.46	(43,822.77)
Trade Receivables	(14,245.32)	(19,867.58)
Loans and advances and other assets	(10,103.82)	(41,972.24)
Trade and Other Payables	(23,172.72)	28,326.13
CASH GENERATED FROM OPERATIONS	51,064.03	(77,336.46)
Exceptional Items	(11,424.20)	(6,288.38)
Effect of Unrealised Foreign Exchange (Gain)/Loss	1,827.89	(14,080.39)
EXTRAORDINARY ITEMS	(8,621.20)	(20,580.94)
Tax Paid	(10,649.17)	-
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	22,197.35	(29,582.77)
B. CASH INFLOW/(OUTFLOW) FROM INVESTMENT ACTIVITIES		
(Increase)/Decrease in Investment	(10,649.94)	20,623.27
Capital expenditure	(1,50,382.83)	(1,13,309.38)
Sale proceeds of fixed assets	10,248.80	6,914.36
Movement of Loan & Advances	285.49	21,958.01
Interest Received	2,278.91	2,690.30
Dividend Received	5.25	1,005.60
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	(1,48,214.32)	(60,117.84)
C. CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES		
Dividend paid including Tax	(3,183.20)	(3,238.42)
Interest paid	(27,441.18)	(24,346.95)
Proceeds from Application Money (Pending Allotment)	-	2,661.04
Increase/(Decrease) in Short Term Borrowings	48,329.80	42,819.87
Increase/(Decrease) in Long Term Borrowings	1,09,209.38	82,011.80
Increase/(Decrease) in fixed deposits	(1,431.14)	(1,982.54)
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	1,25,483.66	97,924.80
NET CHANGES IN CASH & CASH EQUIVALENTS	(533.31)	8,224.19
Cash and cash equivalents at beginning of the year	29,498.57	21,187.55
Exchange difference on translation of Foreign Currency cash and cash equivalents	5.67	86.83
Cash and cash equivalents at end of the year	28,970.93	29,498.57

NOTE:

- Increase/(decrease) in long term and short term borrowings are shown net of repayments.
- Cash and Cash equivalents (at end of the year) includes other Bank Balance of ₹ 4843.26 lacs (Previous Year ₹ 9108.31 lacs)
- Previous year's figures have been regrouped wherever necessary.

As per our report of even date attached
For **N.C.AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

H.S.CHAUDHARY
Wholetime Director

SMINU JINDAL
Managing Director

N.C.Aggarwal
PARTNER
M.No. 005951
PLACE : NEW DELHI
DATED : 27th May 2013

SUNIL JAIN
Company Secretary

N.K.AGARWAL
Vice President
(Corp. Accounts & Taxation)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
I. SHARE CAPITAL		
Authorised		
(i) 500,000,000 Equity Shares of ₹ 2/- each	10,000.00	10,000.00
(ii) 10,000,000 Redeemable Non Convertible Cummulative Preference shares of ₹ 100/- each	10,000.00	10,000.00
	20,000.00	20,000.00
Issued		
276,230,771 Equity Shares of ₹ 2/- each	5,524.62	5,524.62
	5,524.62	5,524.62
Subscribed and Fully Paid-Up		
276,226,771 Equity Shares of ₹ 2/- each	5,524.54	5,524.54
Add: Forfeited 4,000 Equity Shares of ₹ 2/- each (Partly paid up ₹ 1/- each)	0.04	0.04
Total Share Capital	5,524.58	5,524.58
(a) Reconciliation of the number of shares:		
Equity Shares		
Shares outstanding as at the beginning of the year	27,62,26,771	27,62,26,771
Shares outstanding as at the end of the year	27,62,26,771	27,62,26,771

(b) Details of shareholders holding more than 5% shares in the company:

Name of Shareholders	No. of shares	% of holding as at 31.3.2013	No. of shares	% of holding as at 31.3.2012
Nalwa Sons Investments Limited	53550000	19.39	53550000	19.39
Sigmatex Inc	30120000	10.90	30120000	10.90
Reliance Capital Trustee Company Limited A/c Reliance Growth Fund	15701387	5.68	14845487	5.37
Morgan Stanley Asia (Singapore) PTE	14842975	5.37	-	-
Total	114214362	41.34	98515487	35.66

(c) Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceding the reporting date.

NIL

NIL

(d) 3,250 Equity Shares have been held in abeyance as a result of attachment orders by Govt. authorities, lost shares certificates and other disputes.

(e) Terms/Rights attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 2/- per equity share. Each equity shareholder is entitled to one vote per share.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
2. RESERVES AND SURPLUS		
a) Capital Reserve		
Balance as per last financial statements	2,990.71	3,605.68
Add: During the year (Refer note no. 33)	1,538.06	1,523.93
Less: Pursuant to scheme of arrangement and demerger (Refer note no. 32)	-	2,138.90
Closing Balance	4,528.77	2,990.71
b) Capital Redemption Reserve		
Balance as per last financial statements	11,500.00	11,500.00
Closing Balance	11,500.00	11,500.00
c) General Reserve		
Balance as per last financial statements	2,59,162.65	2,90,055.46
Add: Transfer during the year from Surplus in Profit and Loss account	10,000.00	15,000.00
Less: Deduction/transfer during the year	-	45,892.81
Closing Balance	2,69,162.65	2,59,162.65
d) Debenture Redemption Reserve		
Balance as per last financial statements	1,960.00	-
Add: Transfer during the year from Surplus in Profit and Loss account	3,152.00	1,960.00
Closing Balance	5,112.00	1,960.00
e) Securities Premium Account		
Balance as per last financial statements	56,821.26	76,518.30
Less: Pursuant to scheme of arrangement and demerger (Refer note no. 32)	-	19,697.04
Less: Premium on Redemption of Debentures	482.39	-
Closing Balance	56,338.87	56,821.26
f) Revaluation Reserve		
Balance as per last financial statements	453.50	472.41
Less: Transfer during the year	18.91	18.91
Closing Balance	434.59	453.50
g) Foreign Currency Translation Reserve		
Balance as per last financial statements	6,865.52	3,422.11
Add: During the year	1,083.92	3,443.41
Closing Balance	7,949.44	6,865.52
h) Statutory Reserve		
Balance as per last financial statements	-	667.54
Less: Transfer during the year on cessation of subsidiary relationship	-	667.54
Closing Balance	-	-
i) Mark to Market Reserve		
Balance as per last financial statements	(90.44)	-
Add: During the year	27.73	(90.44)
Less: Deduction/transfer during the year	(90.44)	-
Closing Balance	27.73	(90.44)
j) Surplus in Profit and Loss Account		
Balance as per last financial statements	24,413.80	15,176.11
Add: Profit/(Loss) after tax transferred from Statement of Profit and Loss	(1,886.67)	18,910.98
Add: Foreign Exchange Translation Difference	(5.12)	(13.28)
Add: Previous year Taxation Adjustment	(48.24)	201.34
Less: Appropriations		
- Proposed dividend on Equity Shares	2,762.27	2,762.27
- Corporate tax on above	469.45	448.11
- Transfer to General Reserve	10,000.00	15,000.00
- Transfer to Debenture Redemption Reserve	3,152.00	1,960.00
- Transfer of profit/loss on cessation of Subsidiary Relationship	14.13	136.90
- Transferred to (Goodwill)/Capital Reserve	(93.58)	(10,445.93)
Balance in Profit and Loss Account Carried Forward	6,169.50	24,413.80
Total Reserves and Surplus	3,61,223.55	3,64,077.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
3. SHARE APPLICATION MONEY PENDING ALLOTMENT		
a) Cumulative Compulsorily Convertible Preference Shares (CCCPs)-Application Money	-	2,487.81
b) Equity Share application money pending allotment	-	173.23
	-	2,661.04

The Company and its subsidiary Jindal ITF Limited have executed definitive agreements ("Agreements") on 5th March 2012 in a subsidiary of the company with a foreign private equity investor for issuance of 2% Cumulative Compulsorily Convertible Preference Shares (CCCPs) of ₹ 100/ each total aggregating to a maximum amount of ₹ 100 Crores (₹ one hundred Crores only). The Preference Shares have since been allotted.

4. LONG-TERM BORROWINGS

a) Secured		
i) Non Convertible Debentures	86,000.00	30,000.00
ii) Term Loans		
Term Loans from Banks	90,813.45	72,546.02
External Commercial Borrowings	12,438.02	13,634.75
Term Loans from NBFC	10,605.14	-
Secured Long term borrowings	1,99,856.61	1,16,180.77

I. Non Convertible Debentures includes:

- (i) 10.75% Non Convertible Debentures of ₹ 30,000 lacs (Previous Year ₹ 30,000 lacs) are secured by first pari passu charge by way of English mortgage on the Company's specific immovable properties located in the state of Gujarat and by way of equitable mortgage of Company's other immovable properties and hypothecation of moveable fixed assets both present and future in favour of Debenture Trustees. The same are repayable in three equal installments of ₹ 10,000 lacs each on April 08, 2015, April 08, 2016 and April 08, 2017.
- (ii) 10.50% Non Convertible Debentures of ₹ 10,000 lacs (Previous Year Nil) in three series are secured by first pari passu charge by way of English mortgage on the Company's specific immovable properties located in the state of Gujarat and by way of equitable mortgage of Company's other immovable properties and hypothecation of moveable fixed assets both present and future in favour of Debenture Trustees. The same are repayable in three installments of ₹ 3,000 lacs (Series I), ₹ 3,000 lacs (Series II) and ₹ 4,000 lacs (Series III) on September 12, 2018, September 12, 2019 and September 12, 2020 respectively. There is a call option exercisable at the end of three years from the date of allotment (September 12, 2012) for all series of NCDs. The Call option is also available in every subsequent year for each series of NCD individually i.e. at the end of 4th, 5th, 6th and 7th year from the date of allotment upto their respective dates of maturity.
- (iii) 10.38% Non Convertible Debentures of ₹ 30,000 lacs (Previous Year Nil) in two series are secured by first pari passu charge by way of English mortgage on the Company's specific immovable properties located in the state of Gujarat and by way of equitable mortgage of Company's other immovable properties and hypothecation of moveable fixed assets both present and future in favour of Debenture Trustees. The same are repayable in single installment of ₹ 30,000 lacs on December 26, 2021. There is a put/call option for ₹ 15,000 lacs (Series 1) at the end of third year (26.12.2015) and for ₹ 15,000 lacs (Series 2) at the end of Fourth year (26.12.2016) from the date of allotment i.e. December 26, 2012.
- (iv) 12% Non Convertible Debentures 1100 no's of face value of ₹ 10 lacs each in Jindal ITF Limited (JITF Ltd.) are secured by hypothecation by way of subservient and continuing charge on moveable fixed assets of JITF Ltd. and pledge of 18763093 (12%) equity shares of JITF Ltd. held by the Jindal Saw Limited. The same are redeemable in 3 equal installments in 3rd, 4th and 5th year from the date of allotment i.e. 23rd April, 2012 at a premium of 1.7725% p.a. compounded quarterly.
- (v) 9.50% Non Convertible Debentures 500 no's of Face value of ₹ 10 lacs each in JITF Ltd. are secured by hypothecation by way of subservient and continuing charge on moveable assets of the Company and pledge of 22034400 (18%) equity shares of JITF Waterways Limited held by the JITF Ltd. The same are redeemable in 3 equal installments in 3rd, 4th and 5th year from the date of allotment i.e. 13th June, 2012 at a premium of 4.2725% p.a. compounded quarterly.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2. Term Loans from Banks includes:

- i) Term Loan of ₹ 13,700 lacs (rate of interest 1.50% p.a.) (Previous Year ₹ 13,700 lacs) is secured by way of second charge on all the assets of the Company, both present and future and also by way of personal guarantee of Director.
 - ii) Term Loan of ₹ 5000 lacs (rate of interest 10.75% p.a.) (Previous Year Nil) is secured by way of second charge on all the assets of the Company, both present and future and also by way of personal guarantee of a Director.
 - iii) Term Loan of USD 8904719.50 (₹ 4,843.21 lacs) (rate of interest 6 month Libor + 400 bps p.a.) (Previous Year Nil) is secured by way of second charge on all the assets of the Company, both present and future and also by way of personal guarantee of a Director.
 - iv) Loan of ₹ 15.49 lacs (rate of interest ranging from 7.50% to 12.75% p.a.) for purchase of vehicles are secured by way of hypothecation of vehicles.
 - v) Loan of ₹ 17,156.10 lacs (rate of interest @ 12.50% p.a.) is secured against mortgage of Barges and hypothecation of moveable fixed assets of the company.
 - vi) Term loans of ₹ 13,404.70 lacs (rate of interest ranging from 12.75% to 13.75% p.a. from various banks) are secured against mortgage of vessels and pledge of 30% of equity shares of JITF Waterways Limited.
 - vii) Term loans of ₹ 6,782.78 lacs (rate of interest USD Libor + 595 bps p.a. to 6 month SGD libor + 4% p.a. from various banks) are secured against mortgage of moveable vessels and pledge of 37.87% of equity shares of JITF Shipping and Logistics (Singapore) Pte. Ltd.
 - viii) Loans of ₹ 2,093.48 lacs (rate of interest ranging from 13.25% to 13.50% p.a.) are secured by way of mortgage of company's immovable properties and hypothecation of moveable assets (save and except book debts) both present and future, subject to charge created/to be created in favour of Company's banker for securing working capital facilities and loan of ₹ 390.38 lacs also secured by personal guarantee of a director of Universal Tubes Accessories Pvt. Ltd.
 - ix) Loans of ₹ 27,817.69 lacs (rate of interest ranging from 10% to 15% p.a.) are secured by way of hypothecation of moveable assets both present and future subject to charge created/to be created in favour of company' banker for securing working capital facilities and loan of ₹ 25,305.80 lacs also secured by personal guarantee of a director of Jindal Saw Middle East FZC.
 - x) There is no default in repayment of principal and interest there on.
3. Loan of ₹ 10,605.14 lacs (rate of interest 14.25% p.a.) is secured on pari passu basis by mortgage of Land and Building and hypothecation of fixed assets of the company both present and future and pledge of 51% of equity shares of Jindal Rail Infrastructure Limited.
4. External Commercial Borrowings from bank for USD 12169600 (₹ 6,618.96 lacs) carries interest @ 8.65% p.a. repayable in 20 half yearly structured installments. Another External Commercial Borrowings from bank for Japanese Yen 1137768000 (₹ 5,819.06 lacs) carries interest @ 13.36% p.a. repayable in 20 half yearly structured installments. Loan is repayable as under:-
FY 2014-2015 to FY 2018-19: ₹ 1,554.75 lacs each year, FY 2019-20 to 2020-21: ₹ 2,332.12 lacs each year.
(Secured against hypothecation by way of first charge of moveable fixed assets of the company, both present and future, all books debts & intangible assets. The loan is also secured against pledge of 30% equity shares of the Timarpur Okhla Waste Management Company Limited.)

5. Maturity profile of Long Term Secured Loan from banks is as under:

Maturity Period	(₹ In lacs)
1-2 Years	33,131.79
2-3 Years	20,598.38
3-4 Years	27,183.48
Beyond 4 Years	20,504.94
Total	1,01,418.59

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
b) Unsecured		
i) Compulsorily Convertible Debentures (CCD's)		
9.25% 20 CCD's of face value of ₹ 10 Crores each	20,000.00	20,000.00
0% 1000 CCD's of face value of ₹ 10 lacs each	10,000.00	-
ii) External Commercial Borrowings from Banks	50,048.13	47,073.36
iii) Deferred Sales Tax Loans	3,550.08	4,342.48
iv) Deposits from Public	923.97	1,751.53
Unsecured Long term borrowings	84,522.18	73,167.37
Total Long Term Borrowings	2,84,378.79	1,89,348.14

1. 9.25% CCD's are compulsorily convertible within five years from March 2011 with call option by the promoter of the Company - Jindal Saw Limited to buy back CCD's at premium of 1% of the paid up value of the CCD's, so as to give an IRR of 14% p.a. (inclusive of 9.25% p.a. coupon rate). It also carry put option by the financial institution to require the promoter to buy back CCD's in three installments upto 30:30:40 each year after 3rd, 4th and 5th year respectively from the date of allotment. CCD's also have an conversion clause into equity shares of subsidiary company in the event of IPO by the company or of its subsidiaries so as to get an IRR of 14% p.a. on CCD's.

0% CCD's through Pass Through Certificates (PTC) are compulsorily convertible within six years from the date of allotment i.e. 12th April, 2012 as per the Conversion formulae in the subscription agreement. CCD's have call option by the promoter of the Company-Jindal Saw Limited to buy back CCD's and also Put option by the PTC holder to require the promoter to buy back PTC Certificates, for various series of PTC viz. PTC Series A ₹ 1040.00 lacs, PTC Series B ₹ 900.00 lacs, for PTC series C ₹ 3,200.00 lacs, for PTC series D ₹ 2640.00 lacs and for PTC series E ₹ 2,220.00 lacs before 1st year, 2nd year, 3rd year, 4th year and Fifth year of issue of PTC date i.e. 11th April, 2012 respectively so as to give an IRR of 14.81% per annum (Compounded quarterly). Above CCD's are secured against pledge of 18763093 (12%) equity shares of the JITF Ltd. held by Jindal Saw Limited.

2. Deferred Sales tax Loans amounting to ₹ 655.29 lacs (previous year ₹ 982.92 lacs) are guaranteed by one of the Directors.

Repayment schedule of Deferred Sales Tax Loans are set out below:

Year of Repayment	(₹ In lacs)
March 31, 2015	768.21
March 31, 2016	463.73
March 31, 2017	92.12
March 31, 2018	344.02
March 31, 2019	474.63
March 31, 2020	471.41
March 31, 2021	417.94
March 31, 2022	385.20
March 31, 2023	132.82
Total outstanding balance as on 31.03.2013	3,550.08

3. Deposits from public includes deposits from related parties ₹ 279.37 lacs (Previous Year ₹ 134.90 lacs).

4. Terms of repayment of External commercial borrowing is as under -

- i) External Commercial Borrowing of USD 73,018,334 (₹ 39,714.16 lacs) (Previous Year USD 73,018,334- ₹ 37,353.62 lacs) is repayable in three instalments of USD 24,096,050 (₹ 13,105.67 lacs), USD 24,096,050 (₹ 13,105.67 lacs) and USD 24,826,234 (₹ 13,502.82 lacs) on June 30, 2015, June 30, 2016 and June 30, 2017, respectively. Rate of Interest is 6 months USD LIBOR plus 2.55% p.a.
- ii) External Commercial Borrowings of USD 19,000,000 (₹ 10,333.97 lacs) (Previous Year USD 19,000,000- ₹ 9,719.74 lacs) is repayable in three instalments of USD 5,700,000 (₹ 3,100.19 lacs), USD 5,700,000 (₹ 3,100.19 lacs) and USD 7,600,000 (₹ 4,133.59 lacs) on 27-Nov-2015, 27-Nov-2016 and 27-Nov-2017, respectively. Rate of Interest is 6 months USD LIBOR plus 2.30% p.a.

5. Deposits from public is repayable between one to three years.

6. There is no default in repayment of Principal loans and interest.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
5. DEFERRED TAX LIABILITIES (NET)		
A. LIABILITY		
Difference between book and tax depreciation	32,261.39	30,091.42
Total Deferred Tax Liabilities	32,261.39	30,091.42
B. ASSETS		
(i) Disallowance under Income Tax Act	1,603.24	15,734.51
(ii) Carried Forward losses	24,186.00	12,465.47
Total Deferred Tax Assets	25,789.24	28,199.98
Total Deferred Tax Liabilities (Net) (A-B)	6,472.15	1,891.44
Net (increase)/decrease in Deferred Tax Liabilities represented by:		
Deferred Tax Assets on transitional provisions under AS 30	-	22,041.19
Deferred Tax Liability provided during the year in Statement of Profit and loss	4,580.71	8,509.75
Net (increase)/decrease in Deferred Tax Liabilities	(4,580.71)	13,531.44
6. OTHER LONG TERM LIABILITIES		
Trade Payables*	7,556.60	9,772.71
Premium on Redemption of debentures	482.39	-
Security Deposits and Advances	5.25	10.62
Others liabilities**	2,151.91	2,202.85
Total Other Long Term Liabilities	10,196.15	11,986.18
*Includes retention money of ₹ 2,257.76 lacs (Previous Year ₹ 1,648.10 lacs)		
** Includes Contractual Obligation Payable		
7. LONG-TERM PROVISIONS		
Provision for Employee benefits		
Provision for Gratuity	1,308.03	1,108.15
Provision for Leave Encashment	2,034.37	2,103.38
Other Retirement Provisions	105.76	34.27
Total Long term Provisions	3,448.16	3,245.80
CURRENT LIABILITIES		
8. SHORT-TERM BORROWINGS		
a) Secured		
From banks		
Working Capital borrowings	72,675.82	53,574.43
Buyers' credit	75,197.36	43,615.54
Secured Short term borrowings	1,47,873.18	97,189.97

Above short term borrowings of ₹ 1,38,355.05 lacs are secured by hypothecation of finished goods, raw-materials, work-in-progress, stores and spares, book debts and second pari-passu charge in respect of other moveable and immovable properties of the Company and ₹ 9,518.13 lacs is secured by second pari-passu charge on current assets of the Company. Above borrowing of ₹ 7,427.31 lacs is also guaranteed by a director of Jindal SAW Middle East FZC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
b) Unsecured		
i) From Banks		
Short Term loan	34,762.61	26,171.56
Buyers' Credit	18,514.95	40,005.14
ii) Deposits from Public	7.37	14.04
iii) From Related Parties	6,349.47	-
iv) Other Parties	2,734.57	-
Unsecured Short term borrowings	62,368.97	66,190.74
Total Short Term Borrowings	2,10,242.15	1,63,380.71
9. TRADE PAYABLES		
Trade Payables (including acceptances)	79,261.45	74,324.61
Due to Micro and Small Enterprises	46.78	69.06
Total Trade Payables	79,308.23	74,393.67
10. OTHER CURRENT LIABILITIES		
a) Current Maturities of Long Term debts	21,527.71	5,922.91
b) Interest Accrued but not due	4,090.24	1,658.15
c) Interest Accrued and due	58.62	58.62
d) Advance from Customers and Others	17,813.69	39,143.83
e) Capital Creditors	9,769.32	7,340.90
f) Unpaid Dividend	303.25	276.07
g) Other Payables		
Statutory Dues	2,486.88	1,900.74
Dues to Employees	2,664.87	2,164.58
Others	28,016.83	50,528.84
Total Other Current Liabilities	86,731.41	1,08,994.64
11. SHORT TERM PROVISIONS		
a) Provision for Employee benefits		
Provision for Gratuity	158.58	164.99
Provision for Leave Encashment	574.84	499.23
	733.42	664.22
b) Other Provisions		
Proposed Dividend on Equity Share	2,762.27	2,762.27
Corporate Tax on Proposed Dividend	469.45	448.11
Provision for Mark to Market Loss on Derivative Contracts	-	90.44
Provision for Taxation (Wealth Tax)	0.35	0.32
	3,232.07	3,301.14
Total Short Term Provisions	3,965.49	3,965.36

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

12. FIXED ASSETS

(₹ in lacs)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2012	Additions	Deductions/ Adjustments	As at 31.03.2013	Upto 31.03.2012	During the Year	Deductions/ Adjustments	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Tangible Assets (A):										
Lease Hold Land	1,193.92	-	-	1,193.92	125.44	7.01	-	132.45	1,061.47	1,068.48
Free Hold Land	9,769.62	1,818.34	(173.12)	11,761.08	-	-	-	-	11,761.08	9,769.62
Lease Hold Improvements	7.87	-	-	7.87	7.87	-	-	7.87	-	-
Building	44,437.22	28,925.60	(327.29)	73,690.11	6,082.52	2,093.69	(80.82)	8,257.03	65,433.08	38,354.70
Plant & Equipment	2,54,085.57	1,29,244.31	(408.56)	3,83,738.44	76,785.63	16,355.48	(14.65)	93,155.76	2,90,582.68	1,77,299.94
Furniture & Fixture	1,778.41	596.24	(9.19)	2,383.84	646.94	202.84	(3.97)	853.75	1,530.09	1,131.47
Mine Development	748.46	-	-	748.46	112.27	149.69	-	261.96	486.50	636.19
Vehicles	3,363.69	1,686.06	98.87	4,950.88	960.82	468.63	92.08	1,337.37	3,613.51	2,402.87
Vessels	35,848.99	9,597.00	8,794.81	36,651.18	4,012.27	2,199.52	1,418.68	4,793.11	31,858.07	31,836.72
Barge	472.03	3,751.34	3,751.34	472.03	62.21	15.77	-	77.98	394.05	409.82
Office Equipment	1,084.61	588.16	(44.54)	1,717.31	308.12	99.78	(21.36)	429.26	1,288.05	776.49
Total (A)	3,52,790.39	1,76,207.05	11,682.32	5,17,315.12	89,104.09	21,592.41	1,389.96	1,09,306.54	4,08,008.58	2,63,686.30
Intangible Assets (B)										
Computer Software	1,618.69	490.42	(2.37)	2,111.48	617.78	366.71	(3.01)	987.50	1,123.98	1,000.91
Mining Properties (Stripping Cost)	-	217.19	-	217.19	-	11.39	-	11.39	205.80	-
Total (B)	1,618.69	707.61	(2.37)	2,328.67	617.78	378.10	(3.01)	998.89	1,329.78	1,000.91
TOTAL (A+B)	3,54,409.08	1,76,914.66	11,679.95	5,19,643.79	89,721.87	21,970.51	1,386.95	1,10,305.43	4,09,338.36	2,64,687.21
Previous Year	3,18,471.94	45,515.50	9,578.36	3,54,409.08	73,437.18	18,231.90	1,947.21	89,721.87	2,64,687.21	

A) Gross Block includes the following amount on account of revaluation made on 31.03.1996 of Pipe Division at Kosi Kalan at Net Current Residual Replacement Value.

₹ in Lacs

Land	
Freehold	7.38
Leasehold	143.59
Building	548.34
Plant & Machinery	3916.96

B) Free hold Land includes ₹1800 Lacs, conveyance deed for which is yet to be executed.

C) Depreciation during the year includes Depreciation Capitalised during Pre-operative Stage amounting to ₹ 52.42 Lacs (Previous year ₹ 36.36 Lacs)

D) Depreciation during the year includes Depreciation charged of ₹18.91 Lacs (Previous year ₹18.91 Lacs) on account of Revaluation of fixed assets and equivalent amount has been withdrawn from Revaluation Reserve and credited to depreciation for the year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
13. NON-CURRENT INVESTMENTS		
a) Un-quoted Equity Shares	1,032.90	1,245.53
b) Government and Trust Securities	1.35	1.35
Total Non-current Investments	1,034.25	1,246.88
Note: Aggregate amount of Un-quoted investments	1,034.25	1,246.88
14. LONG TERM LOANS AND ADVANCES		
a) Capital Advances		
- Unsecured, considered good	7,604.43	12,697.85
b) Security Deposits		
- Unsecured, considered good	3,944.90	3,505.45
c) Other Loans and Advances		
- Unsecured, considered good	9,823.05	4,995.69
Total Long Term Loans and Advances	21,372.38	21,198.99
CURRENT ASSETS		
15. CURRENT INVESTMENTS		
Investment in Mutual Funds	14,319.76	3,229.13
Total Current Investments	14,319.76	3,229.13
16. INVENTORIES		
a) Raw Materials		
Inventories-Raw Materials	65,979.21	79,996.95
Goods in Transit-Raw Material	8,458.05	261.51
	74,437.26	80,258.46
b) Work-in-progress		
Closing Work-in-progress	21,963.15	50,749.07
	21,963.15	50,749.07
c) Finished Goods		
Inventories-Finished Goods	55,261.18	60,057.89
	55,261.18	60,057.89
d) Inventories- Stores and Spares		
Inventories- Stores and Spares	19,445.91	18,726.67
Goods in Transit-Stores Material	22.75	220.78
Fuel Oils- Vessels	684.29	870.44
	20,152.95	19,817.89
e) Loose Tools		
Loose Tools	683.58	726.20
	683.58	726.20
f) Others		
Scrap	6,089.46	2,848.54
	6,089.46	2,848.54
Total Inventories	1,78,587.58	2,14,458.05

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
17. TRADE RECEIVABLES		
Unsecured		
Exceeding Six Months		
Considered Good	69,559.93	61,095.90
Doubtful	939.46	1,548.18
Less: Provision for doubtful debts	(939.46)	(1,548.18)
	69,559.93	61,095.90
Others		
Considered Good*	98,308.40	94,421.78
Doubtful	-	108.69
Less: Provision for doubtful debts	-	(108.69)
	98,308.40	94,421.78
Total Trade Receivables	1,67,868.33	1,55,517.68
*This includes Retention Money		
18. CASH AND BANK BALANCES		
a) Cash and Cash Equivalents		
Cheques In Hand	1,009.20	7,375.50
Cash-on-hand	104.39	201.94
Balance with banks		
On current accounts	11,190.85	12,061.68
Fixed Deposits (with original maturity of less than three months)#	11,823.23	751.14
b) Other Bank Balances		
On Unpaid Dividend Accounts	303.08	275.91
Fixed Deposits (with original maturity of three months or more)*#	4,540.18	8,832.40
Total Cash and Bank balances	28,970.93	29,498.57
*This includes Fixed Deposits maturing after 12 Months ₹1871.57 lacs (Previous year ₹ 1272.64 lacs)		
#This includes ₹13845.51 lacs (Previous Year ₹ 2607.95 lacs) pledged with banks/government departments etc.		
19. SHORT TERM LOANS AND ADVANCES		
a) Loans and Advances recoverable in cash or kind#		
- Unsecured, considered good	66,540.43	56,168.01
b) Other loans and advances		
- Unsecured, considered good		
Advance taxation (net of provision)*	13,514.96	3,465.77
Advances to vendors	12,556.11	17,047.28
Balances with Statutory/Government authorities	261.43	280.34
	26,332.50	20,793.39
Total Short Term Loans and Advances	92,872.93	76,961.40
# Includes sales tax receivables, Cenvat credit receivables etc.		
*Advance taxation includes MAT Credit Entitlement		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
20. OTHER CURRENT ASSETS		
Interest Accrued on Fixed Deposits	333.42	233.70
Unbilled Revenue	259.57	-
Total Other Current Assets	592.99	233.70
	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
21. GROSS REVENUE FROM OPERATIONS		
a) Sale of Products		
Finished goods	6,10,237.21	5,28,439.60
	6,10,237.21	5,28,439.60
b) Sale of Services		
Job Charges	28,277.45	45,968.29
Erection and Commissioning	13,939.97	16,238.34
Revenue from other services	2,601.67	3,033.74
Charter Hire Income	1,828.14	178.17
Cargo Freight Revenue	23,383.31	20,139.57
Tipping Fees	473.50	46.46
User Collection	381.69	52.92
	70,885.73	85,657.49
c) Other Operating Revenues		
Interest	17.40	24.43
Income from Sale of Carbon Credit	130.72	447.88
Income from Renewable Energy	1,066.00	-
Other operational Income	744.96	553.46
Export/Other Govt. incentives	9,042.19	7,669.74
Operation and Maintenance	162.74	121.44
Ground rent recovery	127.43	93.70
	11,291.44	8,910.65
Total Gross Revenue from operations	6,92,414.38	6,23,007.73
22. OTHER INCOME		
a) Interest	2,285.56	2,635.70
b) Dividend on current Investment	5.25	1,005.60
c) Net Gain/(loss) on Sale of current investments	228.06	91.50
d) Other Non Operating Income	3,485.30	3,251.68
e) Provision for Doubtful Debts written back	692.66	1,115.35
f) Profit on Sale of Fixed Assets	26.58	70.55
g) Bad Debts Recovered	1,199.93	1,755.67
h) Net Gain/(loss) on foreign currency translation and transaction (other than considered as finance cost)	225.39	216.87
i) Provision no Longer Required written back	131.03	-
Total Other Income	8,279.76	10,142.92

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
23. COST OF MATERIALS CONSUMED		
Raw material consumed	3,89,122.54	4,27,366.46
Total Cost of Materials Consumed	3,89,122.54	4,27,366.46
24. PURCHASE OF STOCK-IN-TRADE	6,407.46	7,832.14
25. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Stock		
- Finished Goods	60,057.89	21,753.04
- Scrap	2,848.54	1,969.30
- Work in Progress	50,749.07	23,657.30
	1,13,655.50	47,379.64
Closing Stock		
- Finished Goods	55,261.18	60,057.89
- Scrap	6,089.46	2,848.54
- Work in Progress	21,963.15	50,749.07
	83,313.79	1,13,655.50
NET (INCREASE)/DECREASE IN STOCK	30,341.71	(66,275.86)
Excise duty on account of increase/(decrease) in stock of finished goods	109.81	399.27
Total (Increase)/Decrease in Stock	30,451.52	(65,876.59)
26. EMPLOYEE BENEFIT EXPENSES		
a) Salary and Wages	38,084.50	32,035.38
b) Contribution to Provident and other funds	3,173.37	1,767.82
c) Workmen and Staff Welfare	2,007.05	1,435.03
Total Employee Benefit Expenses	43,264.92	35,238.23
27. FINANCE COST		
a) Interest Expense		
Interest on Fixed Deposits	345.05	429.65
Interest on Debentures	3,582.81	2,426.42
Interest on Term loans	6,490.77	4,537.01
Interest on Bank Borrowings	9,610.65	5,294.08
Bank and Finance charges	3,076.22	3,665.82
Other Interest	445.42	168.06
b) Net (Gain)/loss on Foreign currency transactions/translations	12.70	25.67
Total Finance Cost	23,563.62	16,546.71

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
28. OTHER EXPENSES		
Manufacturing Expenses		
Stores and Spares Consumed	17,239.48	18,254.52
Power and Fuel	30,306.83	30,749.51
Other Manufacturing Expenses	17,249.03	12,458.90
Sub Contract and other project expense	10,032.17	13,326.88
Repairs to Buildings	165.55	194.52
Repairs to Plant and Machinery	3,180.42	2,789.46
Ship Management Charges	3,146.34	2,653.70
Vessel and Containers Related Port Charges	2,788.16	3,932.60
Vessel Hiring Charges	9,654.39	4,657.00
Hiring Charges including containers	369.45	550.33
Transportation Charges	380.43	305.90
Telecommunication Link and Process Expenses	151.56	184.75
Tipping Charges	882.23	76.56
Administrative, Selling and Other Expenses		
Rent	1,540.89	878.74
Rates and Taxes	540.45	360.94
Insurance	1,187.80	997.12
Other Repair and Maintenance	1,569.03	892.54
Travelling and Conveyance	2,076.52	2,200.80
Vehicle Upkeep and Maintenance	169.44	132.20
Postage, Telegrams and Telephones	427.76	399.46
Legal and Professional Fees	1,691.35	2,858.91
Directors' Meeting Fees	12.30	8.80
Charity and Donation	170.65	149.11
Auditors' Remuneration	100.99	65.39
Cost Auditors' Remuneration	9.96	9.02
Commission on Sales	5,654.78	4,222.23
Advertisement	179.32	196.83
Forwarding charges (net)	22,175.60	14,240.72
Other Selling Expenses	8,276.67	7,930.14
Commission to Cargo/Vessels Agents	128.79	403.32
Liquidated damages/Bad Debts	504.33	1,714.34
Provision for doubtful debts and advances	86.03	175.00
Loss on Sale/Discard of Fixed Assets	70.78	787.34
Miscellaneous Expenses	4,739.01	3,483.09
Total Other Expenses	1,46,858.49	1,32,240.67

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE NO. – 29

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY; THIRTY FOUR SUBSIDIARIES (INCLUDING TWENTY FOUR INDIRECT SUBSIDIARIES) ; FOUR JOINT VENTURE COMPANY AS ON 31ST MARCH, 2013

I. Principles of consolidation

The consolidated financial statements relate to Jindal Saw Limited ("the Company") and its subsidiary companies and joint venture company (Collectively referred as the 'Jindal Saw Group'). Subsidiaries companies are those companies in which the company directly or indirectly, has interest more than 50% of the voting power or otherwise control the composition of the board, governing body so as to obtain economic benefits from activities. The consolidated financial statements have been prepared on the following basis:-

- a) The financial statements of the subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and intra-group transactions and unrealized profits or losses in accordance with Accounting Standard (AS) 21 –'Consolidated Financial Statements' notified by The Companies (Accounting Standards) Rules, 2006.
- b) Interest in Joint Venture has been accounted by using the proportionate consolidation method as per Accounting Standard (AS) - 27 "Financial reporting of Interest in Joint Ventures".
- c) In the case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any gain on exchange difference arising on consolidation is recognized in the Foreign Currency Translation Reserve and in case of loss the same is charged to Profit and Loss Appropriation Account and carried to accumulated balance of Profit /(Loss).
- d) The difference between the cost of investment in the subsidiaries and the Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognised in the financial statement as Goodwill or Capital Reserve as the case may be.
- e) Minority Interest in the net assets of the consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and the equity of the company's shareholders.
Minority interest in the net assets of the consolidated subsidiaries consists of :
 - The amount of equity attributable to minorities at the date on which investment in a subsidiary is made; and
 - The minorities' share of movement in the equity since the date the parent subsidiary relationship came into existence.
- f) Minority Interest in the net profit for the year of consolidated subsidiaries is identified and adjusted against the profit after tax of the Jindal Saw Group. Where accumulated losses attributable to the minorities are in excess of their equity, in the absence of actual obligation of the minority the same is accounted for by the holding company.
- g) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.
- h) The subsidiary companies considered in the consolidated financial statements are:-

Name of the Company	Country of Incorporation	% Shareholding / Voting Power		Date of Financial Statements
		31-Mar-13	31-Mar-12	
Subsidiary Companies (Direct)				
Jindal ITF Ltd.	India	100.00%	100.00%	31-Mar-13
IUP Jindal Metals & Alloys Ltd.	India	80.71%	80.71%	31-Mar-13
Jindal Saw Holdings FZE	UAE	100.00%	100.00%	31-Mar-13
S. V. Trading Limited	Nevis	100.00%	100.00%	31-Mar-13
Jindal Fittings Limited	India	51.00%	51.00%	31-Mar-13
Quality Iron and Steel Limited	India	51.00%	51.00%	31-Mar-13
Ralael Holdings Limited	Cyprus	100.00%	100.00%	31-Dec-12
Greenray Holdings Ltd.	UK	100.00%	75.38%	31-Dec-12
Universal Tubes Accessories Pvt. Ltd. ¹	India	51.00%	Nil	31-Mar-13
Jindal Saw Espana SL ²	SPAIN	90.00%	Nil	31-Dec-12

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Name of the Company	Country of Incorporation	% Shareholding / Voting Power		Date of Financial Statements
		31-Mar-13	31-Mar-12	
Subsidiary Companies (Indirect)				
Jindal Saw USA LLC (Subsidiary Company of S V Trading Ltd.)	USA	100.00%	100.00%	31-Mar-13
Jindal Intellicom Ltd. (Subsidiary Company of Jindal ITF Ltd.)	India	98.78%	98.78%	31-Mar-13
JITF Water Infrastructure Ltd (Subsidiary Company of Jindal ITF Ltd.)	India	100.00%	100.00%	31-Mar-13
JITF Urban Infrastructure Ltd. (Subsidiary Company of Jindal ITF Ltd.)	India	100.00%	100.00%	31-Mar-13
JITF Shipyards Ltd. (Subsidiary Company of Jindal ITF Ltd.)	India	100.00%	100.00%	31-Mar-13
Jindal Rail Infrastructure Ltd. (Subsidiary Company of Jindal ITF Ltd.)	India	100.00%	100.00%	31-Mar-13
JITF Waterways Ltd. (Subsidiary Company of Jindal ITF Ltd.)	India	100.00%	100.00%	31-Mar-13
JITF Infralogistics Ltd. (Subsidiary Company of Jindal ITF Ltd.)	India	100.00%	100.00%	31-Mar-13
JITF Urban Infrastructure Services Ltd. (Subsidiary Company of Jindal ITF Ltd.)	India	100.00%	100.00%	31-Mar-13
JITF Coal Logistics Ltd. (Subsidiary Company of Jindal ITF Ltd.)	India	100.00%	100.00%	31-Mar-13
JITF ESIPL CETP (Sitarganj) Ltd. (Subsidiary Company of JITF Water Infrastructure Ltd.)	India	51.00%	51.00%	31-Mar-13
Timarpur-Okhla Waste Management Co. Pvt. Ltd. (Subsidiary Company of JITF Urban Infrastructure Ltd.)	India	100.00%	100.00%	31-Mar-13
JITF Water Infra (Naya Raipur) Limited (Subsidiary Company of JITF Water Infrastructure Ltd.)	India	90.00%	90.00%	31-Mar-13
Jindal Saw Middle East FZC (Subsidiary Company of Jindal Saw Holdings FZE)	UAE	75.00%	75.00%	31-Mar-13
Jindal Saw Gulf LLC (Subsidiary Company of Jindal Saw Middle East FZC)	UAE	75.00%	75.00%	31-Mar-13
Jindal Saw Italia S.P.A. (Subsidiary Company of Ralael Holdings Limited)	Italy	100.00%	100.00%	31-Dec-12
Intellicom Insurance Advisors Ltd. (Subsidiary Company of Jindal Intellicom Limited)	India	98.78%	98.78%	31-Mar-13
JITF Shipping and Logistics (Singapore) Pte Ltd (Subsidiary Company of JITF Waterways Ltd.)	Singapore	100.00%	100.00%	31-Mar-13
Jindal ITF Kobelco Eco Limited. ³ (Subsidiary Company of JITF Water Infrastructure Ltd.)	India	Nil	51.00%	31-Oct-12
JITF Water Development Co. Limited. ⁴ (Formerly known as JITF Manila Water Development Co. Limited) (Subsidiary Company of JITF Water Infrastructure Ltd.)	India	Nil	100.00%	06-Feb-13
JITF Global Water Holding Pte. Limited ⁵ (Subsidiary Company of JITF Water Infrastructure Ltd.)	Singapore	Nil	100.00%	03-Jan-13
JITF Water Infra (Rajkot) Limited ⁶ (Subsidiary Company of JITF Water Infrastructure Ltd.)	India	Nil	100.00%	29-Jan-13

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Name of the Company	Country of Incorporation	% Shareholding / Voting Power		Date of Financial Statements
		31-Mar-13	31-Mar-12	
JITF Urban Waste Management (Ferozepur) Limited (Subsidiary Company of JITF Urban Infrastructure Ltd.)	India	90.00%	90.00%	31-Mar-13
JITF Urban Waste Management (Jalandhar) Limited (Subsidiary Company of JITF Urban Infrastructure Ltd.)	India	90.00%	90.00%	31-Mar-13
JITF Urban Waste Management (Bathinda) Limited (Subsidiary Company of JITF Urban Infrastructure Ltd.)	India	90.00%	90.00%	31-Mar-13
Derwent Sand SARL (Subsidiary Company of Greenray Holdings Ltd.)	Algeria	99.62%	75.38%	31-Dec-12
JITF Industrial Infrastructure Development Co. Ltd. ⁷ (Subsidiary Company of JITF Water Infrastructure Ltd.)	India	100%	Nil	31-Mar-13

1 Subsidiary w.e.f. 30th August, 2012

2 Subsidiary w.e.f. 21st March, 2013

3 Subsidiary upto 31st October, 2012

4 Subsidiary upto 06th February, 2013

5 Strike off application for closure is filed on 3rd January 2013 with Accounting and Corporate Regulatory Authority, Singapore. Closure action is awaited.

6 Subsidiary upto 29th January, 2013

7 Subsidiary w.e.f. 2nd May, 2012

i) The Joint Ventures considered in the consolidated financial statements are:-

Name of the Joint Venture	Country of Incorporation	% Shareholding / Voting Power		Date of Financial Statements
		31-Mar-13	31-Mar-12	
Jindal Sigma Limited, UK	UK	25.00%	25.00%	31-Dec-12
SMC- JWIL (w.e.f. 24th December, 2012)	India	49.00%	N.A.	31-Mar-13
JWIL-Ranhill (w.e.f. 27th November, 2012)	India	75.00%	N.A.	31-Mar-13
JWIL-SSIL (w.e.f. 28th February, 2012)	India	60.00%	NIL	31-Mar-13

2. Other Significant Accounting Policies

- Since certain subsidiaries are in the same line of business which function in a different regulatory environment, certain policies such as in respect of depreciation etc. differ. The notes on accounts and accounting policies followed by the subsidiaries and holding company are disclosed in their respective financial statements. These are set out under " Significant Accounting Policies" in the stand alone financial statements of the Company. Further to those policies, the accounting policy adopted by subsidiaries are as follows:
- Contract revenue in respect of erection and commissioning is recognized by adding the aggregate cost and proportionate margin using the percentage completion method. Percentage of completion is determined as a proportion of cost incurred-to-date to the total estimated contract cost. Estimated loss on project activity to be undertaken in future years is provided for.
- Where the Grant or subsidy relates to an asset, its value is deducted from the gross value of the asset concerned in arriving at the carrying amount of the related asset.
- Premium on redemption of Debentures, net of tax impact, are adjusted against the Securities Premium Account.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	As At 31st March, 2013 (₹ in lacs)	As At 31st March, 2012 (₹ in lacs)
30. Contingent Liabilities		
a) Guarantees issued by the Company's bankers on behalf of the Company	1,07,544.87	1,07,289.92
b) Letter of Credit Outstanding (Net of Liabilities provided in the books)	33,136.22	96,891.33
c) Disputed Excise Duty, Custom Duty and Service Tax	229.27	212.13
d) Disputed Sales Tax	585.41	1,166.32
e) Liability in respect of corporate guarantee/duty saved for availing various export based incentive schemes	11,532.36	11,479.51
f) Claims against the company not acknowledged as debt	81.22	495.21
g) Income Tax Demand against which company has preferred appeals	2,616.36	1,954.20
h) Arrear of dividend on Cumulative Compulsorily Convertible Preference Shares/Cumulative Redeemable Preference Shares	63.96	-
31 Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances).	33,447.96	52,813.90

32 The Scheme of Arrangement and Demerger (Scheme) entailing de-merger of Investment Undertaking of the Company into Hexa Tradex Limited (HTL) was sanctioned by the Hon'ble High Court of Judicature at Allahabad. The Scheme became effective from November 5, 2011 on filing the same with the Registrar of Companies, UP.

As per the said Scheme, with effect from the Appointed Date i.e. 1st January, 2011, the Investment Undertaking was transferred to and vested in HTL on a going concern basis pursuant to the provisions contained in Sections 391 to 394 and other applicable provisions of the Companies Act 1956. The effect of the Scheme was given in the financial results for the year ended 31st March, 2012.

As a consideration of transfer of Investment Undertaking, HTL issued and allotted to the equity shareholders of Company 1 (one) equity share of face value of ₹ 2/- (credited as fully paid-up) for every 5 (five) fully paid-up equity shares of ₹ 2/- each held by them in Jindal Saw Ltd. as on the record date, i.e., November 23, 2011. The equity shares so allotted by HTL are listed on NSE and BSE. As per the Scheme investment made by the company in HTL of ₹ 5 lacs stands cancelled and is debited to capital reserve.

The difference between the book value of assets and liabilities transferred pursuant to the scheme was adjusted in previous year as follows:

- (a) Capital Reserve Account: ₹ 2133.90 lacs
- (b) Security Premium Account: ₹ 19697.04 lacs

33 The Company's manufacturing facility at Nashik has been granted "Mega Project Status" by Government of Maharashtra and therefore is eligible for Industrial Promotion Subsidy (IPS) under Packaged Scheme of Incentive (PSI) 2007.

The purpose of the Packaged Scheme of Incentive (PSI) 2007 is for intensifying and accelerating the process of dispersal of industries to the less developed regions and promoting high tech industries in the developed areas of the state coupled with the object of generating mass employment opportunities.

Modalities of payment of IPS consists of the following:

- a) Electricity Duty exemption for a period of 7 years from the date of commencement of commercial production- from 10.09.2009 to 09.09.2016.
- b) 100% exemption from payment of Stamp duty.
- c) VAT and CST payable to the State Government (on sales made from Nashik plant, within a period of 7 years starting from 10th Sep 2009).

IPS will be payable so as to restrict up to 75% of the Eligible Fixed Capital investments made from 13th Sep 2007 to 10th Sep 2009. The Eligibility Certificate issued allows maximum Fixed Capital Investment of ₹ 350 Crores and restrict IPS to 75% of ₹ 350 Crores i.e. ₹ 262.50 Crores.

In terms of the Accounting Standard (AS 12) "Accounting for Government Grants" prescribed by Companies (Accounting Standards) Amendment Rules, 2006, eligible incentive of ₹ 1538.06 lacs (Previous Year ₹ 1523.93 lacs) is considered to be in the nature of promoters' contribution and has been credited to Capital Reserve.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- 34 Due to unusual Depreciation in the value of the rupee against US Dollar and other foreign currencies during the year, the net loss on reinstatement/settlement of foreign currency monetary items other than long term foreign currency monetary items related to acquisition of depreciable assets has been considered by the Company to be exceptional in nature.
Exceptional items for the current year includes ₹ 1446.18 lacs (debit) on account of foreign exchange fluctuation relating to sales and material purchases . The amount of such fluctuation amounting to ₹ 9318.86 lacs (credit) was included under the relevant heads of expenditure & income during last year.
- 35 The Company has exercised the option in financial year 2011-12 for accounting of the exchange differences arising on long term foreign currency monetary items in line with Companies (Accounting Standard (Second Amendment) Rules, 2011 dated 29th December, 2011 relating to Accounting Standard (AS-11) notified by Central Government w.e.f. 1st April, 2011. Accordingly it has capitalized the exchange difference on long term foreign currency loans related to acquisition of depreciable assets.
- 36 Sundry Debtors, Creditors and other advances are subject to confirmation. The effect of the same, if any, which are not likely to be material, will be adjusted at the time of confirmation.
- 37 In the opinion of the Management, the realizable value of assets other than fixed assets and long term investments, in the ordinary course of business, would not be less than the amount at which they are stated.
- 38 IUP Jindal Metal & Alloys Limited (a subsidiary company) has not been able to lift the contracted quantity of gas from Gas Authority of India (GAIL) as per the contract agreement and therefore, is liable to make up good the shortfall of Gas during the contract period that is within 2025 (with a Grace period of one more year). The actual lift/requirement of the Company is however, below the contracted quantity. As Gas being scarce in resource, management view is to surrender the shortfall lift to GAIL so as to pay Gas Supply charges on actual lift by the Company. The Company has therefore, during this year, provided for the Gas supply charges on actual lift during the year. However, as a matter of abundant caution, Gas obligation provided for of earlier years on contracted supply would be written back upon outcome of the discussion/ surrender with GAIL.
- 39 Extraordinary items represents :
- Loss of ₹ 6959.20 lacs (net of tax expense) on sale of vessels in a subsidiary company i.e. JITF Waterways Limited and
 - Amount of ₹ 1662.00 lacs (net of tax expense) paid/provided for settlement agreement with trade union of a subsidiary company - Jindal SAW Italia S.P.A.
- 40 Financial and Derivative Instruments
- Nominal amounts of derivative contracts entered into by the company and outstanding as at 31st March, 2013 for hedging Currency and interest rate related risks:

Sr. No.	PARTICULARS	As At	As At
		31st March, 2013 (₹ in lacs)	31st March, 2012 (₹ in lacs)
1	Interest rate Swaps	39,811.98	7,673.48
2	Options	-	15,270.22
3	Forward Contracts	29,269.16	59,685.12

- Foreign Currency exposures that has not been hedged by derivative instrument or otherwise are as under:

Sr. No.	PARTICULARS	As At	As At
		31st March, 2013 (₹ in lacs)	31st March, 2012 (₹ in lacs)
1	Receivables/ Inflows	64,669.63	25,358.00
2	Payable/Outflow	2,83,220.12	1,10,131.03

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

- 41 The Company's significant leasing arrangements are in respect of operating leases for premises-residential and offices. These leasing arrangements are cancellable. The aggregate lease rentals payables are charged as rent
- 42 The money received from government against the concessionaire agreement towards the financial assistance for capital project for 'Build, Operate and Transfer' is considered as grant and is therefore deducted from total cost of project so incurred.
- 43 Goodwill on consolidation is net of Capital reserve of ₹ 4759.81 lacs (Previous year ₹ 4759.81 lacs).
- 44 Earning Per Share (EPS) Basic and Diluted computed in accordance with Accounting Standard 20 "Earning per Share"

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
Basic and Diluted		
Profit/(Loss) before tax and extra ordinary items	11,760.61	28,177.85
Less: Tax on ordinary activities	5,132.44	9,333.00
Less: Adjustments for tax and depreciation of earlier years	48.24	-
Profit/(Loss) after tax before minority interest	6,579.93	18,844.85
Add : Minority Interest share in loss/(profit)	106.36	66.13
Profit/(Loss) attributable to Equity Shareholders before extraordinary items - Basic and Diluted (A)	6,686.29	18,910.98
Less: Extraordinary Items	8,621.20	-
Profit/(Loss) attributable to Equity Shareholders after extraordinary items - Basic and Diluted (B)	(1,934.91)	18,910.98
Weighted Average No of Shares issued for Basic EPS (C)	27,62,26,771	27,62,26,771
Weighted Average No of Shares issued for Diluted EPS (D)	27,62,26,771	27,62,26,771
Earning per Equity Share before extraordinary items of face value of ₹ 2/- each.		
Basic = A/C	2.38	6.85
Diluted = A/D	2.38	6.85
Earning per Equity Share after extraordinary items of face value of ₹ 2/- each.		
Basic = B/C	(0.70)	6.85
Diluted = B/D	(0.70)	6.85

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

45 Capital Work in progress include Pre-operative Expenses pending allocation on completion of the projects is as under :

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
Power and Fuel	542.51	197.49
Store and Spares	48.09	387.42
Repair to Plant and machinery	70.43	73.17
Salary, Wages and Other Benefits	2,205.76	1,544.23
Contribution to Provident and other funds	48.11	23.89
Workman and Staff Welfare	87.45	6.19
Legal and Professional	666.95	1,052.82
Rent	60.34	115.78
Rates and Taxes	86.00	117.15
Insurance Expenses	173.28	13.22
Travelling and Conveyance	295.31	121.36
Auditors' Remuneration	2.24	0.85
Interest and Bank Charges*	9,305.50	7,002.85
Foreign Exchange Fluctuation	682.40	2.09
Land Development Expense	18.92	-
Miscellaneous Expenses	1,393.18	1,099.70
Depreciation	52.42	36.36
TOTAL	15,738.89	11,794.56
Less: Sale value of goods produced during trial period	1,167.65	196.39
Less: Dividend Received	714.87	-
	13,856.37	11,598.17
Add: Transfer on becoming subsidiary relationship	2.79	-
Add: Preoperative expenses brought forward	16,580.64	5,860.40
	30,439.80	17,458.57
Less: Capitalized during the year	17,611.87	877.91
Less: Transfer on cessation of subsidiary relationship	51.11	-
Preoperative Expenses Carried forward	12,776.82	16,580.64

* Net of Interest Received ₹ 93.08 lacs (Previous Year ₹ 63.03 lacs)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

46 Related Parties Transactions

A List of Related Parties and Relationship (As required by AS - 18)

a) Key Management Personnel

1	Ms. Sminu Jindal	Managing Director- Jindal Saw Limited and Director- IUP Jindal Metals and Alloys Limited
2	Mr. Indresh Batra	Managing Director- Jindal Saw Limited and IUP Jindal Metal & Alloys Limited and Director-JITF Waterways Limited (Upto 7th October,2012) and Jindal ITF Limited
3	Mr. H.S. Chaudhary	Whole Time Director- Jindal Saw Limited
4	Mr. O.P.Sharma	Chief Operating Officer (Large Dia. Pipe- SBU)
5	Mr. V.S.Konnur	Joint Managing Director (Seamless Business)
6	Mr. K. Chandrayya	Director (Works- IPU) (Upto 28th February 2013)
7	Mr Anurag Shrivastva	President (Mundra Operations)
8	Dr Dharmendra Gupta	Director (Mines & Steel)
9	Mr. J.M. Syal	VP Incharge and Business Head- IUP Jindal Metal & Alloys Limited
10	Mr. Sunil Trehan	Executive Director-JITF water Infrastructure Limited (upto 31st July,2012)
11	Mr. Dayanand Petkar	Whole Time Director - Universal Tubes Accessories Pvt. Ltd. (w.e.f. 1st June, 2012)
12	Mr. Rajesh Bajjal	Director - Jindal ESIP CETP (Sitarganj) Ltd.
13	Mr. Arun Kumar Khosla	Whole Time Director-Jindal Rail Infrastructure Limited (w.e.f. 26th December,2012) and Chief Operating Officer in Previous year-Jindal Rail Infrastructure Limited.
14	Mr. Sanjiv Garg	Director - Jindal Intellicom Ltd.
15	Mr. Harsh Wardhan	Director-JITF Urban Infrastructure Limited (upto 31st July,2012)
16	Mr. Rakesh Kumar Aggarwal	Whole Time Director -JITF Urban Infrastructure Limited (w.e.f 15th March,2013) and Director from 20th February,2013. Also KMP in all JITF Urban Subsidiaries
17	Mr. Ashok Kumar Mandal	Whole Time Director- Timarpur Okhla Waste Mgt Pvt Limited (w.e.f 21st November, 2012)
18	Mr. Sanjay Varma	Director-JITF Shipyards Limited (upto 15th January,2013) and General Manager from 16th January,2013
19	Mr. Captain Santanu Das	AVP-Jindal ITF Limited (w.e.f. 25th February,2013)
20	Mr. Jai Shanker Dwivedi	Whole Time Director -JITF Water Infrastructure Limited (w.e.f 16th August, 2012). Also KMP in all JITF Water Infra subsidiaries
21	Mr. Raj Kumar Gupta	President commercial-JITF Water Infrastructure Limited (w.e.f 28th September, 2012)
22	Mr. Vikram Puri	Whole Time Director-JITF Water Infrastructure Limited
23	Mr. Mahesh Chand Maheshwari	President Commercial and Strategy-JITF Water Infrastructure Limited (From 1st April, 2012 to 28th May, 2012 and w.e.f 14th January, 2013)
24	Mr. Captain Pankaj Kumar	AVP-JITF Waterways Limited (w.e.f. 21st January, 2013)
25	Mr. Jai Singh Khurana	Director-JITF Waterways Limited (upto 15th January, 2013)
26	Mr. Rahul Bansal	Executive Director - Jindal Fittings Limited
27	Mr. Ratan Kumar Sinha	Director - Jindal Intellicom Limited

b) Relative of Key Management Personnel

1	Mr. P.R. Jindal	Father of Ms. Sminu Jindal
2	Ms. Leena Garg	Wife of Mr. Sanjiv Garg
3	Ms. Gayatri Garg	Daughter of Mr. Sanjiv Garg

c) Enterprises over which Key Management Personnel exercise significant influence

1	Sminu Jindal Charitable Trust
2	Hexa Securities and Finance Co. Ltd
3	Hexa Tradex Limited
4	Sathi International FZE

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

B Transactions

(₹ in lacs)

Particulars	Jointly Controlled Entities		Key Management Personnel (KMP) and their relatives and Enterprises over which KMP and their relatives having significant influence.		Total	
	Year Ended 31.03.13	Year Ended 31.03.12	Year Ended 31.03.13	Year Ended 31.03.12	Year Ended 31.03.13	Year Ended 31.03.12
a) Transactions						
Sale of Material/ Services						
- Jindal Sigma Ltd	1,826.99	1,449.09	-	-	1,826.99	1,449.09
Erection and Commissioning Revenue						
- JWIL-Ranhill	367.68	-	-	-	367.68	-
- SMC-JWIL	635.20	-	-	-	635.20	-
- JWIL-SSIL	324.33	-	-	-	324.33	-
Sale of pipes						
- SMC-JWIL	250.66	-	-	-	250.66	-
Interest Paid						
- Ms. Sminu Jindal	-	-	18.17	10.40	18.17	10.40
- Hexa Securities and Finance Co. Ltd.	-	-	4.11	-	4.11	-
Interest Received						
- Hexa Securities and Finance Co. Ltd.	-	-	11.53	2.38	11.53	2.38
- Hexa Tradex Limited	-	-	19.15	5.90	19.15	5.90
Loan given during the year						
- Hexa Securities and Finance Co. Ltd.	-	-	208.32	135.01	208.32	135.01
- Hexa Tradex Limited	-	-	1,064.15	1,201.21	1,064.15	1,201.21
Loan Received back during the year						
- Hexa Securities and Finance Co. Ltd.	-	-	345.71	-	345.71	-
- Hexa Tradex Limited	-	-	1,052.00	1,059.00	1,052.00	1,059.00
Loan taken during the year						
- Hexa Securities and Finance Co. Ltd.	-	-	430.00	-	430.00	-
- Sathi International FZE	-	-	6,349.47	-	6,349.47	-
Loan repaid during the year						
- Hexa Securities and Finance Co. Ltd.	-	-	430.00	-	430.00	-
Rent Paid						
- Mr. P.R. Jindal	-	-	8.40	8.40	8.40	8.40
Rent Received						
- Mr. P.R. Jindal	-	-	8.50	6.00	8.50	6.00
- Hexa Tradex Limited	-	-	0.60	0.59	0.60	0.59
Expenses incurred / recovered by the Company						
- Hexa Tradex Limited	-	-	6.64	-	6.64	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(₹ in lacs)

Particulars	Jointly Controlled Entities		Key Management Personnel (KMP) and their relatives and Enterprises over which KMP and their relatives having significant influence.		Total	
	Year Ended 31.03.13	Year Ended 31.03.12	Year Ended 31.03.13	Year Ended 31.03.12	Year Ended 31.03.13	Year Ended 31.03.12
Remuneration Paid						
- Ms. Sminu Jindal	-	-	275.99	269.52	275.99	269.52
- Mr. Indresh Batra	-	-	218.15	217.89	218.15	217.89
- Mr. Probal Ghosal	-	-	-	140.34	-	140.34
- Others	-	-	931.82	448.09	931.82	448.09
Meeting Fees Paid						
- Mr. P.R. Jindal	-	-	0.80	0.20	0.80	0.20
Donation Given						
- Sminu Jindal Charitable Trust	-	-	75.00	75.00	75.00	75.00
Expenses recovered/to be recovered						
- JWIL-Ranhill	0.12	-	-	-	0.12	-
b) Outstanding Balance as on 31.03.2013						
Loan given outstanding						
- Hexa Securities and Finance Co. Ltd.	-	-	-	137.39	-	137.39
- Hexa Tradex Limited	-	-	177.50	148.11	177.50	148.11
Loan taken outstanding						
- Sathi International FZE	-	-	6,349.47	-	6,349.47	-
Receivables						
- Hexa Tradex Limited	-	-	7.83	-	7.83	-
- Jindal Sigma Ltd	983.75	899.93	-	-	983.75	899.93
- SMC-JWIL	590.15	-	-	-	590.15	-
Payables						
- JWIL-SSIL	122.16	-	-	122.16	-	-
- JWIL-Ranhill	80.55	-	-	80.55	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

47 Information on Joint Ventures as per Accounting Standard-27

The Company's share of the assets, liabilities, income and expenses of the jointly controlled entity based on Equity Investment are as follows:

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
a) Current assets	4,235.59	783.23
b) Fixed assets (Including CWIP and Pre-operative Expenditure, pending allocation)	122.24	107.73
c) Current Liabilities	4,975.19	1,094.43
d) Income		
Sales	3,512.03	414.67
Other Income	6.70	-
Increase / (Decrease) in Stock	826.36	-
e) Expenses		
Purchase of Stock-in-Trade	1,903.83	385.19
Operating Expenses	2,453.73	-
Administration and other expenses	245.10	153.27
Interest and finance charges	95.80	41.85

Note:

Disclosure of financial data as per Accounting Standard-27 'Financial Reporting of Interest in the Joint Venture' has been done based on the audited financials statements of following Joint Ventures:-

Name of the Company	Country of Incorporation	% Shareholding / Voting Power	
		31-Mar-2013	31-Mar-2012
Jindal Sigma Limited, UK	UK	25.00%	25.00%
SMC-JWIL	India	49.00%	N.A.
JWIL-Ranhill	India	75.00%	N.A.
JWIL-SSIL	India	60.00%	NIL

48 SEGMENT INFORMATION

A) PRIMARY BUSINESS SEGMENT

(₹ in lacs)

Particulars	Iron and steel products	Others	Unallocable	Eliminations	Total
I Segment Revenue					
External Turnover	6,11,610.14	80,804.24	-	-	6,92,414.38
	5,78,767.73	44,240.00	-	-	6,23,007.73
Less: Excise Duty	15,941.60	-	-	-	15,941.60
	19,368.16	-	-	-	19,368.16
Net Turnover	5,95,668.54	80,804.24	-	-	6,76,472.78
	5,59,399.57	44,240.00	-	-	6,03,639.57
Inter Segment Sales	942.23	-	-	(942.23)	-
	3,706.09	-	-	(3,706.09)	-
Total Revenue	5,96,610.77	80,804.24	-	(942.23)	6,76,472.78
	5,63,105.66	44,240.00	-	(3,706.09)	6,03,639.57

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

						(₹ in lacs)
Particulars	Iron and steel products	Others	Unallocable	Eliminations	Total	
2 Segment Result before interest, extraordinary items and Taxes	56,692.00	(3,190.00)	(5,467.72)	(1,285.85)	46,748.43	
Less: Interest Expenses	66,733.39	(1,493.00)	(5,582.00)	(853.44)	58,804.95	
Profit before Extra Ordinary Items and Taxes					23,563.62	
Less:					16,546.71	
Exceptional Item (refer note no. 34)					23,184.81	
Extra Ordinary Items (refer note no. 39)					42,258.24	
Profit before Taxes					3,139.41	
Less:					28,177.85	
Current Tax					5,775.73	
Provision / (Withdrawn) of Deferred Tax					7,075.90	
MAT Credit Entitlement					4,580.71	
Net Profit/(Loss) after Tax before minority interest					8,509.75	
Add: Minority Interest					(5,224.00)	
Net Profit/(Loss) after minority interest					(6,252.65)	
					(1,993.03)	
					18,844.85	
					106.36	
					66.13	
					(1,886.67)	
					18,910.98	
3 Other Information						
Segment Assets	8,02,130.57	2,36,511.68	1,32,952.62	(1,00,306.61)	10,71,288.26	
Segment Liabilities	7,86,787.86	1,29,601.10	1,01,479.29	(85,319.50)	9,32,548.75	
Capital Expenditure	1,24,498.32	59,649.33	16,823.20	(17,321.41)	1,83,649.44	
Depreciation	1,42,242.86	52,703.10	12,547.29	(4,907.60)	2,02,585.65	
Non Cash Expenses other than depreciation	98,115.37	52,267.46	-	-	1,50,382.83	
	84,262.74	29,046.64	-	-	1,13,309.38	
	16,552.98	5,346.20	-	-	21,899.18	
	16,095.37	2,081.26	-	-	18,176.63	
	86.03	-	-	-	86.03	
	175.00	-	-	-	175.00	

B) SECONDARY BUSINESS SEGMENT

				(₹ in lacs)
Particulars	Within India	Outside India	Total	
1 External Revenue	2,88,294.06	4,04,120.32	6,92,414.38	
Less: Excise Duty	3,17,273.17	3,05,734.56	6,23,007.73	
Net Turnover	15,941.60	-	15,941.60	
	19,368.16	-	19,368.16	
	2,72,352.46	4,04,120.32	6,76,472.78	
	2,97,905.01	3,05,734.56	6,03,639.57	
2 Segment Assets	8,46,492.87	2,24,795.39	10,71,288.26	
3 Segment Liabilities	7,54,475.32	1,78,073.43	9,32,548.75	
4 Capital Expenditure	1,22,709.18	60,940.26	1,83,649.44	
	1,59,188.59	43,397.06	2,02,585.65	
	1,29,341.64	21,041.19	1,50,382.83	
	71,432.54	41,876.84	1,13,309.38	

NOTE:

1 Unbold Figures pertain to previous year.

2 Segments have been identified in line with AS on Segment Reporting (AS-17) taking into account the organisational structure, nature of product and differential risk and returns of these segments.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

49 Auditors' and Directors' Remuneration

PARTICULARS	Year Ended 31st March, 2013 (₹ in lacs)	Year Ended 31st March, 2012 (₹ in lacs)
a) Auditor's Remuneration		
Statutory Auditors		
i. Audit Fees *	84.78	45.84
ii. Tax Audit Fees	6.65	4.65
iii. Taxation Matters	-	0.50
iv. Certification/ Others	6.95	11.57
v. Out of pocket Expenses	4.85	3.68
Total	103.23	66.24
* Includes ₹ 2.24 lacs (Previous year ₹ 0.85 lacs) in Pre-Operative expenses.		
Cost Auditors		
i. Audit Fees	8.75	7.65
ii. Out of pocket Expenses	1.21	1.37
Total	9.96	9.02
b) Directors' Remuneration		
i. Salary including allowances etc.	553.27	383.49
ii. Commission	190.50	190.60
iii. Contribution to provident fund and other funds	42.02	32.90
iv. Perquisites (as per Income Tax Rules)	79.80	59.68
Total	865.59	666.67

50 Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Parent Company's financial statement. Previous year figures have been regrouped / rearranged.

As per our report of even date attached

For **N.C.AGGARWAL & CO.**
Chartered Accountants
Firm Registration No. 003273N

H.S.CHAUDHARY
Wholetime Director

SMINU JINDAL
Managing Director

N.C.Aggarwal
PARTNER
M.No. 005951
PLACE : NEW DELHI
DATED : 27th May 2013

SUNIL JAIN
Company Secretary

N.K.AGARWAL
Vice President
(Corp. Accounts & Taxation)

NOTICE

NOTICE is hereby given that the 28th Annual General Meeting of the Members of Jindal Saw Ltd. will be held at Registered Office at A-1, UPSIDC Indl. Area, Nandgaon Road, Kosi Kalan, Distt. Mathura (U.P.)- 281 403 on Saturday, the 28th day of September, 2013 at 1.30 p.m. to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2013 and the Statement of Profit & Loss for the year ended 31st March, 2013 and the Reports of Directors and Auditors.
2. To declare a dividend.
3. To appoint a Director in place of Shri Devi Dayal, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Dr. Raj Kamal Agarwal, retires by rotation and, being eligible, offers himself for re-appointment.
5. To appoint a Director in place of Dr. Kuldeep Bhargava, retires by rotation and, being eligible, offers himself for re-appointment.
6. To appoint M/s. N. C. Aggarwal & Co., Chartered Accountants, retiring Auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS:

7. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"Resolved that Shri Neeraj Kumar be and is hereby appointed as a Director of the Company."
8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:
"Resolved that in accordance with the provisions of Section 198, 269 and 309 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 and subject to such approvals as may be necessary, Shri Neeraj Kumar be and is hereby appointed as Group CEO & Whole-time Director of the Company for a period of 5 years with effect from 1st July, 2013 on the following terms and conditions including remuneration with authority to the Board of Directors to alter and vary the terms and conditions of the said arrangement and/or remuneration subject to the same not exceeding the limits specified in Schedule XIII to the Companies Act, 1956 as may be agreed between the Board of Directors and Shri Neeraj Kumar :-
 - (i) Basic Salary : ₹ 7,00,000/- per month.
 - (ii) HRA : 50% of Basic Salary
 - (iii) Responsibility Allowance : 75% of Basic Salary
 - (iv) Contribution to the Provident Fund : 12% of the Basic Salary.
 - (v) Bonus : 20% of the Basic Salary.
 - (vi) Professional Pursuit : ₹ 750/- per month.
 - (vii) Special Allowance: ₹ 613,880/- per month.
 - (viii) CEA : As per Income Tax Act upto two children.
 - (ix) Medical Benefits : Reimbursement of medical expenses incurred for self and family in a year up to ₹ 30,000/-.

NOTICE

- (x) Leave Travel Concession: Actual fares excluding hotel expenses incurred for self and family in a year up to ₹ 6,00,000/-.
- (xi) Gratuity : As per Rules of the Company but shall not exceed half month's salary for each completed year of service.

In Addition to the above salary, he will also be entitled for following perquisites:

1. One Club membership for self and family.
2. Company maintained two vehicles.
3. Medical Insurance for self and family as per policy of the Company.
4. Personal Accidental Insurance Coverage for self as per policy of the Company.
5. Other allowances and perquisites as per the Company's policy as is customary for such position.

"The Group CEO & Whole-time Director so long as he functions as such shall not be paid any sitting fee for attending the meetings of Board of Directors or Committees thereof and he shall not be liable to retire by rotation.

"Resolved Further that the Board of Directors be and is hereby authorized to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this Resolution."

Place: New Delhi
Date: 1st July, 2013

By order of the Board
for JINDAL SAW LTD.

Regd. Office:
A-1, UPSIDC Indl. Area Nandgaon Road,
Kosi Kalan Distt. Mathura (U.P.)-281 403

SUNIL K JAIN
Company Secretary

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ABOVE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE VALID & EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE NOT LATER THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE ABOVE MEETING.
2. The Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 25th September, 2013 to 27th September, 2013 (both days inclusive).
4. The Dividend, if approved, will be paid to those shareholders whose names appear : (a) as Beneficial Owners as at the end of the business hours on 24th September, 2013 as per the list to be furnished by NSDL and CDSL in respect of shares held in the Electronic Form; and (b) as Members in the Register of Members of the Company after giving effect to all valid share transfers in physical form lodged with the Company on or before 24th September, 2013.

NOTICE

5. The Members are requested to notify promptly any change in their address to the Company.
6. Pursuant to the provisions of Section 205A of the Companies Act, 1956, as amended, dividend for the year ended 30th September, 2006 which having been remaining unpaid for a period of 7 years will be transferred to the Investor Education and Protection Fund established by the Central Government on or before 4th February, 2014. Shareholders who have not encashed the dividend warrants so far for the financial year ended on 30th September, 2006 are requested to make their claim to the Company at Jindal Centre, 12, Bhikaiji Cama Place, New Delhi – 110 066 before 4th February, 2014. It may also be noted that once the unclaimed dividend is transferred to the fund as above, no claim shall lie in respect thereof.
7. Section 109A of the Companies Act, 1956 extends nomination facility to all shareholders.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars and Transfer Agents, M/s. RCMC Share Registry Pvt. Ltd.
9. The information required under Clause 49 of the Listing Agreement relating to Corporate Governance with respect to those Directors retiring by rotation and seeking reappointment/ appointment is given hereunder.
10. Members are requested to note that pursuant to directions given by SEBI/Stock Exchanges, the Company has appointed M/s RCMC Share Registry (P) Ltd., B-106, Sector -2, Noida as Registrar and Transfer Agent to look after the work related to shares held in physical as well as demat mode.
11. Members are informed that the Company is sending Annual Report through e-mail to those Shareholders who have registered their e-mail id with the Company.

Place: New Delhi
Date: 1st July, 2013

By order of the Board
for JINDAL SAW LTD.

Regd. Office:
A-1, UPSIDC Indl. Area Nandgaon Road,
Kosi Kalan Distt. Mathura (U.P.)-281 403

SUNIL K JAIN
Company Secretary

NOTICE

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7 & 8

The Board of Directors in their meeting held on 27th May, 2013 appointed Shri Neeraj Kumar as an additional director as well as Group CEO & Whole-time Director of the Company effective from 1st July, 2013 for a period of 5 years on the terms of remuneration as specified in the resolution. Shri Neeraj Kumar has a vast experience of about 23 years in general management, corporate strategy, corporate finance, chain management and re-engineering of process across core infrastructure, commodity, services and financial sectors with large Indian business houses, multinationals and financial institutions. He was also associated with the Company as Director-Finance & CFO from 2002 to 2006.

With the increase volume of business and complexities involved in the operation of the Company, the Board is of the view that the Company will benefited by his rich experience. The Board, therefore, proposes his appointment to the office of Director as well as Group CEO & Whole-time Director for your approval.

In terms of Section 257 of the Companies Act, 1956, Shri Neeraj Kumar holds office as an additional director only up to the ensuing Annual General Meeting. The Company has received a notice pursuant to Section 257 from a member signifying his intention to propose the candidature of Shri Neeraj Kumar to the office of director of the Company.

None of the Directors other than Shri Neeraj Kumar himself is in any way interested or concerned in the Resolution.

The above details may please be treated as an abstract of terms of appointment and remuneration between the Company and Shri Neeraj Kumar under Section 302 of the Companies Act, 1956.

Place: New Delhi
Date: 1st July, 2013

By order of the Board
for JINDAL SAW LTD.

Regd. Office:

A-1, UPSIDC Indl. Area Nandgaon Road,
Kosi Kalan Distt. Mathura (U.P.)-281 403

SUNIL K JAIN
Company Secretary

IMPORTANT COMMUNICATION TO MEMBERS

In an effort to make the earth a better place to live, the green movement has been sweeping over the Globe. Not only are individuals doing things to help the environment, companies & governments are as well. The Ministry of Corporate Affairs (MCA) has taken an "Green Initiative in Corporate Governance" by allowing paperless compliance by Companies through electronic mode and has issued recently a circular bearing no. 17/2011 dated April 21, 2011 stating that service of documents by a Company to its members can be made through electronic mode. The move of the ministry allows public at large to contribute to the green movement. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants, Members who hold shares in physical form are requested to fill in the Registration form provided in this Annual Report and register the same with M/s RCMC Share (Registry) Private Limited.

NOTICE

Details of Directors seeking appointment/ reappointment at the forthcoming Annual General Meeting pursuant to Clause 49 of the Listing Agreement entered into with the Stock Exchanges

Name of Director	Shri Devi Dayal	Dr. Raj Kamal Agarwal	Shri Kuldip Bhargava	Shri Neeraj Kumar
Date of Birth	02.07.1941	07.07.1952	22.04.1953	02.05.1963
Date of Appointment	30.07.2004	30.01.2006	22.11.2001	01.07.2013
Qualification	LL. B., M. A.	M.B.B.S.	Industrialist	M. Sc. (Physics) & MBA
Expertise in Specific Functional Area	I.A.S. (Retd.)	Dr. Agarwal is a Medical Practitioner. He has been on the Board of several public and private limited companies for a long time and has a considerable experience in corporate affairs.	Shri Kuldip Bhargava, is an industrialist. He has more than 38 years of experience in managing industries like steel rolling, casting, fabrication, tubes making, etc.	Management & Finance
Directorship in other Indian Public Limited Companies as on 31.03.2013	1. Hotels Sun Air Ltd. 2. Omexe Ltd. 3. Sahara Prime City Ltd.	1. Hexa Tradex Ltd. 2. Virtue Drilling PTE Ltd	Hexa Tradex Ltd.	NIL
Chairman / Membership of Committees in other Indian Public Limited Companies as on 31.3.2013 (C=Chairman ; M=Member)	Nil	2 (M)	1 (C) 1 (M)	Nil
No. of equity shares held	Nil	Nil	8,000	Nil
Director Identification No	01083282	00005349	00011103	01776688



JINDAL SAW LTD.

Registered office: A-1, UPSIDC Indl. Area, Nandgaon Road,
Kosi Kalan, Distt. Mathura (U.P.) - 281 403

PROXY FORM & ATTENDANCE SLIP

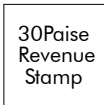
I/We.....of.....
in the District of.....being a member/of.....
the above named Company hereby appoint.....
of.....in the district of.....
.....of failing him.....
of.....in the district of.....
as my/ our proxy to attend and vote for us/me behalf at the 28th Annual General Meeting to be held on Saturday, the 28th day of September, 2013 at 1.30 P.M. at A-1, UPSIDC Indl. Area, Nandgaon Road, Kosi Kalan, Distt. Mathura (U.P.) - 281 403 and at any adjournment thereof.

Signed this.....day of.....

Signature.....

Address.....

.....



Folio No.

D.P. ID / Client ID*

No. of Shares held

- N.B. : (1) The Proxy need not be a member.
(2) The Proxy form duly signed and stamped should reach the Company's Regd. Office at least 48 hours before the time of meeting i.e., before 1.30 P.M. on 26th September, 2013.

ATTENDANCE SLIP

PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE

I/We hereby record my /our presence at the 28th Annual General Meeting of the Company at A-1, UPSIDC Indl. Area, Nandgaon Road, Kosi Kalan, Distt. Mathura (U.P.) - 281 403 on Saturday, the 28th day of September, 2013.

Name of the Shareholder Folio No.

Name of the Proxy/Representative, if any D.P. ID / Client ID*

Signature of the Shareholders/Proxy No. of Shares held

Representative

Note : Shareholders/ Proxy holders are requested to bring their Attendance Slips with them and to hand over at the gate of the Meeting Hall after affixing their signature. Please bring the proof of your shareholding.

*Applicable for investors holding shares in electronic mode.

JINDAL SAW LTD.

Registered Office :A-1, UPSIDC Indl. Area Nandgaon Road,
Kosi Kalan, Distt. Mathura (U.P.) - 281 403



JINDAL SAW LTD.

Registered office: A-1, UPSIDC Indl. Area, Nandgaon Road,
Kosi Kalan, Distt. Mathura (U.P.) - 281 403

E-COMMUNICATION REGISTRATION FORM

To,
M/s RCMC Share Registry (P) Ltd.
B-106, Sector-2,
Noida – 201 301

Green Initiative in Corporate Governance

I/we hereby exercise my/our option to receive all communications from the Company such as Notice of General Meeting, Explanatory Statement, Audited Financial Statements, Balance Sheet, Statement of Profit & Loss, Directors' Report and Auditor's Report etc. in electronic mode pursuant to the 'Green Initiative in Corporate Governance' taken by the Ministry of Corporate Affairs vide circular No. 17/2011 dated 21st April, 2011. Please register my e-mail ID as given below, in your records, for sending the communication:

Folio No./DP ID & Client ID No. :

Name of 1st Registered Holder :

Name of Joint Holder(s), if any :

Registered Address of the Sole/ 1st Registered Holder :

.....

.....

No. of Shares held :

E-mail ID (to be registered) :

Date :

Signature :

Notes :

- 1) On registration, all communication will be sent to the e-mail ID registered.
- 2) The form is also available on the website on the Company www.jindalsaw.com under the section 'Shareholder's Information'.
- 3) Shareholders are requested to keep the Company's Registrar - M/s RCMC Share Registry (P) Ltd. informed as and when there is any change in the e-mail address.

- LSAW
- HSAW
- Seamless Tubes
- Ductile Iron Pipes
- Coatings
- Hot Induction Bends



JINDAL SAW LTD.
TOTAL PIPE SOLUTIONS

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New Delhi - 110 066, India
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• Fax: +91-11-26170691
• Email: marketing@jindalsaw.com
• www.jindalsaw.com